

ANNUAL REPORT
OF THE
FEDERAL DEPOSIT INSURANCE CORPORATION
FOR THE YEAR ENDED
DECEMBER 31, 1950



LETTER OF TRANSMITTAL

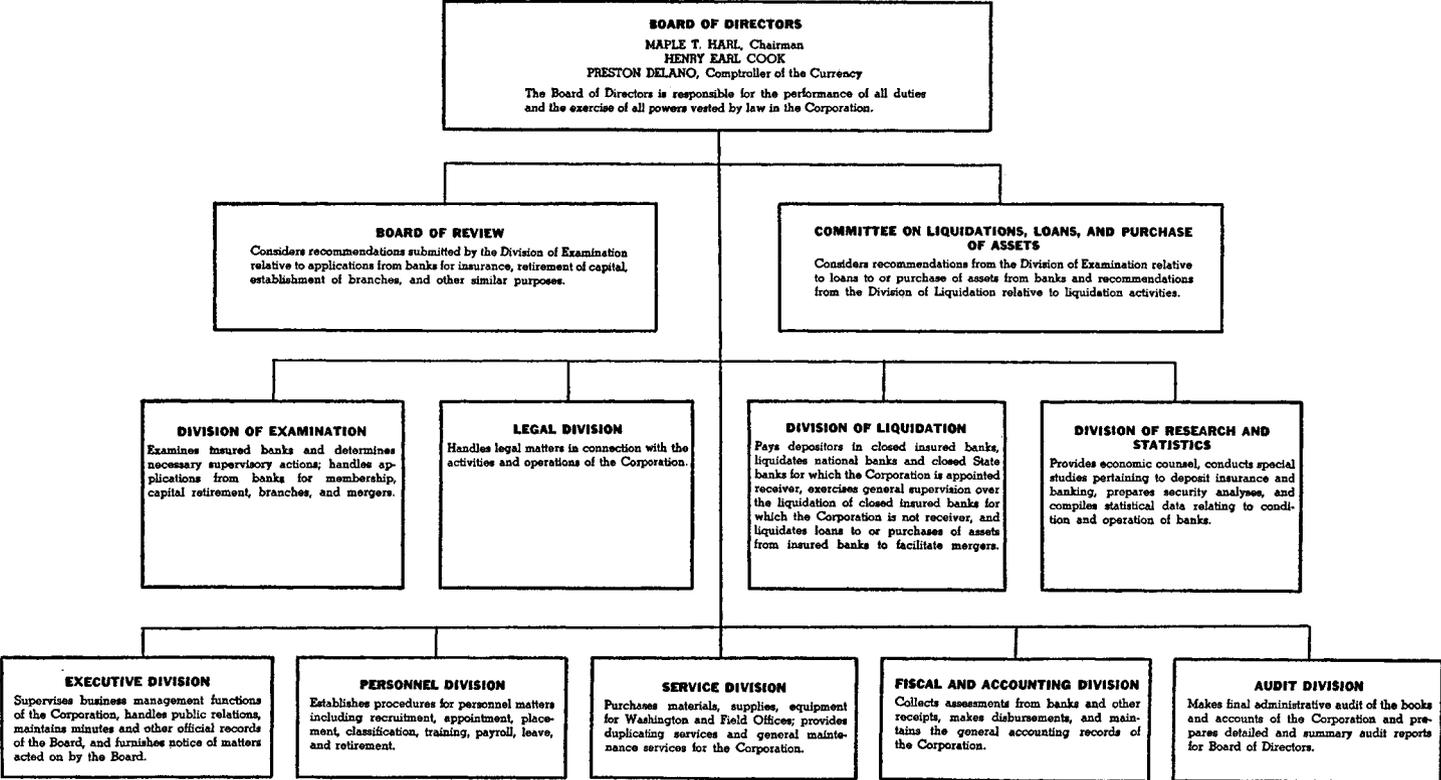
FEDERAL DEPOSIT INSURANCE CORPORATION
Washington, D. C., June 5, 1951

SIRS: Pursuant to the provisions of section 17(a) of the Federal Deposit Insurance Act, the Federal Deposit Insurance Corporation has the honor to submit its annual report.

Respectfully,
MAPLE T. HARL, *Chairman*

THE PRESIDENT PRO TEMPORE OF THE SENATE
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

FEDERAL DEPOSIT INSURANCE CORPORATION

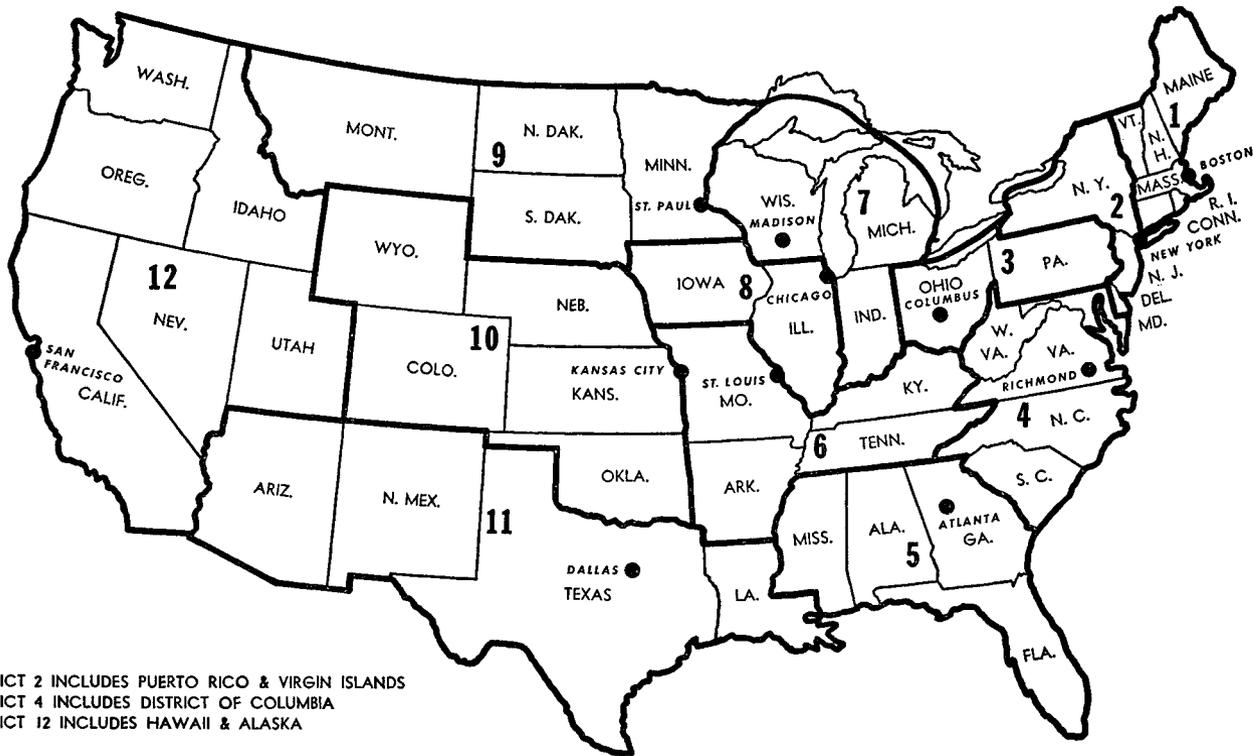


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DISTRICT OFFICES

| <u>DIST. No.</u> | <u>SUPERVISING EXAMINER</u> | <u>ADDRESS</u> | <u>STATES IN DISTRICT</u> |
|------------------|-----------------------------|---|---|
| 1. | Lundie W. Barlow | Room 1365, No. 10 Post Square, Boston 9, Mass. | Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut |
| 2. | Neil G. Greensides | Room 1900, 14 Wall Street, New York 5, N. Y. | New York, New Jersey, Delaware, Puerto Rico, Virgin Islands |
| 3. | A. F. Shafer | City National Bank Building, 20 East Broad Street, Columbus 15, Ohio | Ohio, Pennsylvania |
| 4. | Robert N. McLeod | 200 Bank of Virginia Building, Fourth and Grace Streets, Richmond 19, Va. | District of Columbia, Maryland, Virginia, West Virginia, North Carolina, South Carolina |
| 5. | John E. Freeman | 625 First National Bank Building, Atlanta 3, Ga. | Georgia, Florida, Alabama, Mississippi |
| 6. | W. Clyde Roberts | 1059 Arcade Building, St. Louis 1, Mo. | Kentucky, Tennessee, Missouri, Arkansas |
| 7. | Raby L. Hopkins | 715 Tenney Building, Madison 3, Wis. | Indiana, Michigan, Wisconsin |
| 8. | Eugene R. Gover | 741 Federal Reserve Bank Building, 164 W. Jackson Blvd., Chicago 4, Ill. | Illinois, Iowa |
| 9. | Charles F. Alden | 1200 Minnesota Building, St. Paul 1, Minn. | Minnesota, North Dakota, South Dakota, Montana |
| 10. | Gerhard F. Roetzel | 901 Federal Reserve Bank Building, Kansas City 6, Missouri | Nebraska, Kansas, Oklahoma, Colorado, Wyoming |
| 11. | Linton J. Davis | Federal Reserve Bank Building, Station K, Dallas 13, Tex. | Louisiana, Texas, New Mexico, Arizona |
| 12. | William P. Funsten | Suite 1120, 315 Montgomery Street, San Francisco 4, Calif. | Idaho, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii |

FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICTS



DISTRICT 2 INCLUDES PUERTO RICO & VIRGIN ISLANDS
DISTRICT 4 INCLUDES DISTRICT OF COLUMBIA
DISTRICT 12 INCLUDES HAWAII & ALASKA

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SUMMARY

SUMMARY

In the Federal Deposit Insurance Act, approved September 21, 1950, changes recommended by the Corporation were embodied in the deposit insurance law. (Pp. 3-7).

During 1950 the Federal Deposit Insurance Corporation disbursed \$3 million to protect depositors in four insured banks in financial difficulties. Total disbursements of the Corporation for this purpose since deposit insurance became effective on January 1, 1934, were \$319 million, extended to protect the depositors of 415 insured banks. The difficulties of three of the banks aided during 1950 were attributed to defalcations by officers or employees. (Pp. 10-12).

In 1950 proceedings were initiated against three insured banks for engaging in unsafe and unsound banking practices. Since 1935 a total of 145 banks have been charged with engaging in such practices. In over one-fifth of these cases the banks have corrected the practices; in most of the remaining cases the banks have suspended operations or have been absorbed or succeeded by other banks. (Pp. 19-20).

The surplus of the Corporation, which is the deposit insurance fund, amounted to \$1.2 billion at the end of 1950. This is about three-fourths of 1 percent of the deposits in insured banks. (Pp. 29).

Bank assets and deposits showed a growth of 7 percent in 1950. During the five-year period between the end of 1945 and the end of 1950 bank loans expanded by 99 percent, and marked changes occurred in the composition of the loan portfolios of the banks. At the end of 1950 real estate loans were 36 percent of all loans, commercial and industrial loans 36 percent, and other loans to individuals 17 percent. (Pp. 35-39).

The capital accounts of banks have not kept pace with their total assets, nor with those commonly described as "risk assets." The ratio of the capital accounts of insured commercial banks to assets other than cash and United States Government obligations declined from 26 percent in 1934 to 17 percent in 1950. (P. 43).

Net profits of insured commercial banks, after taxes, and dividends paid to stockholders, were larger in 1950 than in any previous year. The average rate of net profit on total capital accounts, after taxes, was over 8-1/2 percent. (Pp. 46-52).

A history of deposit insurance legislation shows that 150 bills for this purpose were introduced into the Congress during the period from 1886 to 1933, and that the basic principles of the deposit insurance system were developed in these bills and in the experience of various States with the guaranty of bank obligations used as circulating medium. (Pp. 63-101).

PART ONE

OPERATIONS AND POLICIES OF THE CORPORATION

THE FEDERAL DEPOSIT INSURANCE ACT OF 1950

Except for brief interruptions, the period since the beginning of Federal deposit insurance has been a time of business recovery from depression followed by a continuously high level of business activity. This prosperity has been reflected both in an increased output of goods and services and in a larger national income, and has been associated with an expansion of bank deposits and bank assets. In 1950 the dollar value of the output of the nation was more than four times as large as in 1934, the year the Corporation began operations. The aggregate income received by individuals, which includes wages and salaries, dividends and interest, and earnings from unincorporated enterprises, was also four times as large in 1950 as in 1934. Likewise, the deposits of operating commercial and savings banks in 1950 were about four times the reported amount in 1934.

The real economic advance from 1934 to 1950 was much less striking than is suggested by the foregoing figures. The increase in the value of output and income of the people reflects in part a larger volume of goods and services produced and purchased, and in part simply a rise in the prices at which those goods and services are sold. The real income of the people and the physical volume of output in 1950 were a little more than twice the amounts in 1934. Prices of goods and services in 1950 were about twice the prices of 1934.

The increase in prices meant that a given amount of bank deposits became less valuable in terms of goods and services. By 1950 the fixed maximum insurance of \$5,000 per depositor provided only about one-half as much real protection as in 1934. It was therefore to be expected that a demand should arise for an increase in the statutory insurance coverage in order to restore the degree of protection which bank depositors had formerly enjoyed.

Bank failures occur most frequently in times of business depression and deflation. They are generally few in number in periods of business recovery and inflation. Since 1934 the number of bank failures has been unusually low even for a period of recovery and prosperity. This is due primarily to the existence of Federal deposit insurance and the accompanying improvement in bank supervision and management. As a result of the small number of bank failures, the losses and operating expenses of the Corporation have been less than the income of the Corporation from the invested portion of the deposit insurance fund. In consequence, the full amount of the insurance assessments paid by the banks up to 1950 remained in the surplus of the Corporation. Therefore, it was believed that the insurance assessment rate could be safely reduced. Moreover, the method of calculating the assessment due to the Cor-

poration, under the law as enacted in 1935, had been found to be cumbersome and expensive.

Officials of the Federal Deposit Insurance Corporation, as a result of a decade and a half of administration of the permanent insurance plan, had found that various aspects of the law could be improved. These related in part to the methods of handling insured banks which become involved in financial difficulties, in part to the examination and supervision of banks, and in part to more technical aspects of the administration of the law.

These circumstances resulted in various proposals for amending the deposit insurance law, some of which were embodied in bills introduced in one or both Houses of the Congress. In 1950 the banking and currency committees of both the House and the Senate held hearings on a bill embodying recommendations of the Corporation, and the entire deposit insurance law was revised. It was also removed from the Federal Reserve Act, and entitled the "Federal Deposit Insurance Act." This Act was approved by the President and became effective on September 21, 1950.

The new law increases the maximum insurable deposit from \$5,000 to \$10,000. The immediate effect of this change was to afford full protection to three million additional accounts and to increase the amount of deposits insured by \$12 billion. Nearly 99 percent of all accounts in insured banks are now fully protected. Under the previous coverage less than 96 percent of the accounts were fully protected.

The Federal Deposit Insurance Corporation believes that depositors should retain some element of risk in the deposit insurance system. Shared risk is an important factor in Federal deposit insurance and its operation within the present American free enterprise dual banking system, and also in relation to bank supervision. Owners of small deposits are protected by the \$10,000 maximum; owners of large deposits are more able to protect themselves by exercising a restraining influence over managerial policies. Also their personal interest as depositors is a force in encouraging participation in management.

The new law changes the base for deposit insurance assessment in two important respects: first, each semiannual assessment computation is now based on the average of deposits on two dates instead of the daily average for the six months' period; and second, certain items may be omitted or deducted from deposits in determining the assessment base, and alternative methods are provided for computing cash items. For more detail, see the Corporation's regulation on assessments, which is given on pages 190-93.

For several years the Corporation had had under study and analysis various proposals designed to simplify the computation by banks of

their assessments. Early in 1946 the Corporation commenced a program of auditing the records of insured banks relating to their assessment payments. One of the chief purposes of this program was "to assist the banks in preparing certified statements with the view to eliminating any unnecessary work and to correct any errors in interpretation of the regulations by the banks." This program contemplated an audit of 1500 banks, or approximately 10 percent of the insured banks, holding over 70 percent of the deposits in all insured banks. The response of the banks audited was evidenced by the letters from them regarding the helpful suggestions our auditors had offered. As a result of its studies and of the audit the Corporation felt that any change in the assessment should first provide relief from the large amount of work connected with the assessment base. The Corporation has not received a single complaint from the banks on their first assessment computation under the new law.

In view of the fact that the Corporation's need for funds to take care of depositors in distressed banks had never been tested by a major business depression, it was recommended that no permanent reduction in the assessment rate be made. The studies of the Corporation had not demonstrated that the accumulated fund was adequate, nor had they determined what would be an adequate fund. In judging the adequacy of the fund its relation to the Corporation's potential liability as an insurer must be given consideration. When compared with the \$168 billion of deposits in insured banks, the margin of protection is not large. At the beginning of the Federal Deposit Insurance Corporation in 1934 the ratio of the Corporation's capital and surplus to deposits in insured banks was 0.73 percent, while as of December 31, 1950, the ratio was 0.74 percent. The capital accounts of insured banks must also be considered in connection with the adequacy of the deposit insurance fund. The ratio of the banks' capital funds to total assets has decreased from 14 percent in 1934 to 7 percent at the close of 1950.

The new law retains the previous assessment rate of $1/12$ of 1 percent of deposits per year, but provides credits to insured banks in years in which the Corporation's assessment income exceeds its losses and expenses. The law provides that operating costs and expenses, insurance losses and expenses, and additions to reserves for losses after adjustments applicable to prior periods, shall be deducted from the assessment becoming due each calendar year at the rate of $1/12$ of 1 percent of deposits. The Corporation retains 40 percent of the net assessment income, and the balance is to be credited *pro rata* to insured banks to be applied toward payment of their assessment next becoming due. If this credit is larger for any bank than the next assessment, the excess is applied to the payment of succeeding assessments. The assessment income for the calendar year 1950, the deductions therefrom, and the division of the

net assessment income between the Corporation and the banks, are shown in Table 11, page 24.

As a result of the coverage and assessment provisions of the new law the amount of deposits insured is increased about 15 percent and the premium is in effect decreased by approximately 50 percent. That this can be done without disturbing the confidence of depositors is a tribute to the effectiveness of deposit insurance and the improvement in management and bank supervision which has taken place during the seventeen years the Corporation has been in existence.

One of the principal changes introduced into the new Act, designed to improve the administration of deposit insurance, is an authorization for the Corporation, in the discretion of its Board of Directors, to make loans to, purchase assets from, or make deposits in any insured bank in danger of closing, if continued operation of the bank is essential to provide adequate banking facilities for the community [Section 13 (c)]. Under the old law the Corporation could make loans to or purchase assets from a bank in financial difficulties only when such action would facilitate a merger with or assumption of liabilities by another insured bank. This section further provides that such loans and deposits may be in subordination to the rights of other depositors and creditors. It is the intent of the Corporation to exercise this discretionary authority sparingly and only in special situations and in so doing to surround such advances with appropriate safeguards to protect the best interests of the Corporation. This change provides more flexibility in the handling of banks in financial difficulties.

The Corporation is authorized by the new law to make special examinations of national banks and State banks members of the Federal Reserve System when such action is deemed advisable by the Board of Directors to determine the insurance risk. This gives the Corporation for the first time the authority to make its own appraisal of its risks in providing deposit insurance for those banks. Under the previous law over half of the insured banks, holding about 80 percent of the deposits of all insured banks, could not be examined by the Corporation without the written consent either of the Comptroller of the Currency or of the Board of Governors of the Federal Reserve System.

The new law includes a provision designed to help insured banks avoid weakening their financial structures in connection with voluntary mergers and consolidations. Withdrawal of capital and surplus in such cases is prohibited except with the consent of the Comptroller of the Currency if the continuing or succeeding bank is a national bank, the Board of Governors of the Federal Reserve System if a State bank member of the Federal Reserve System, and the Federal Deposit Insurance Corporation if an insured State bank not a member of the Federal Reserve System.

The new law contains a provision that requires the Corporation to pay to the United States Treasury interest at the rate of 2 percent per year for the amounts advanced to the Corporation by the Federal Reserve banks and the Treasury for its original capital, for the time such funds remained in the Corporation's capital account. This interest, computed for the period covered, amounts to \$81 million. One-half of this amount was paid on December 30, 1950, and the balance will be paid prior to July 1, 1951.

Another provision of the new law prohibits the use of such phrases as "Federally insured" in advertisements by insured banks and other financial institutions. For the exact provisions, see pages 131-132.

The Board of Directors recommended to the Congress that the new Federal Deposit Insurance Act contain authority for the audit of the Corporation's financial transactions by the General Accounting Office. The Board of Directors of the Corporation is proud of the opinion expressed by the auditors regarding the quality of management of the Corporation, and with minor exceptions the Corporation's relations with this independent Government auditing agency have been most pleasant. The Board of Directors has always recognized that audits made by an independent outside agency serve not only to inform the public and the Congress of the Corporation's financial operations but also are of assistance to the Board of Directors in its management functions. For five years prior to the Federal Deposit Insurance Act of 1950, authority for the audit of the financial transactions of the Corporation had been incorporated in the Government Corporation Control Act. However, the Board of Directors was of the opinion that the audit authority should be part of the organic law of the Corporation and should not be set forth in a law applicable to government corporations generally since the fiscal affairs of the Federal Deposit Insurance Corporation have little, if anything, in common with those of other government corporations. Congress adopted the recommendation of the Corporation; and authority for the audit of its financial transactions by the General Accounting Office is set forth in Section 17 of the Act. In addition to the audit report to the Congress, the Corporation also receives a short form report from the General Accounting Office, which is utilized in connection with the assessment credits to banks under Section 7(d) of the Act.

PARTICIPATION IN DEPOSIT INSURANCE

The proportion of all banks participating in Federal deposit insurance continued its upward trend during 1950. At the end of the year over 93 percent of all banks of deposit in the United States and possessions, holding over 95 percent of total deposits, were insured.

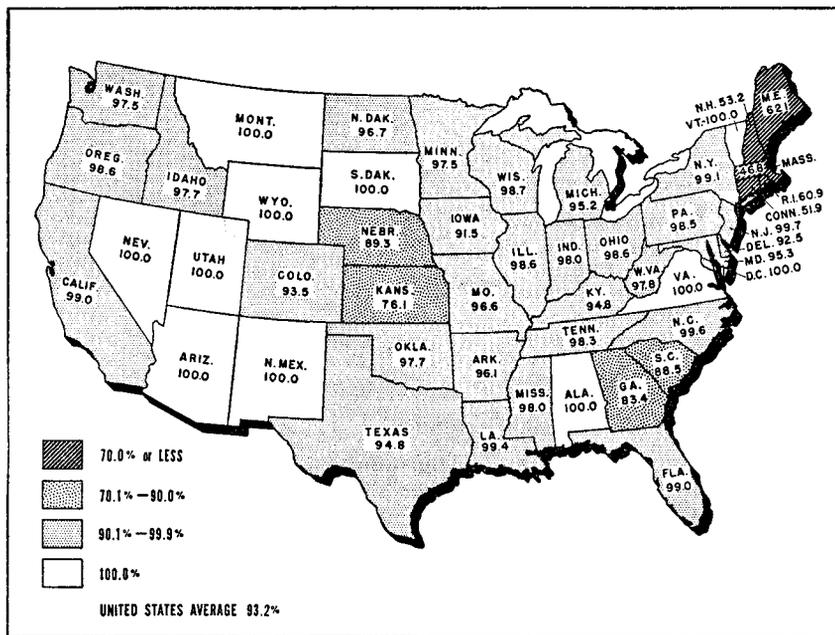
Participation by State. In ten States and the District of Columbia all banks regularly engaged in deposit banking were insured. Seven of the States were in the West—Arizona, Montana, Nevada, New Mexico, South Dakota, Utah, and Wyoming; two in the East—Vermont and Virginia; and one in the South—Alabama.

In many other States participation in deposit insurance was virtually complete. In each of seven States—Delaware, Idaho, Louisiana, Maryland, New Jersey, North Carolina, and Oregon—there was only one noninsured bank of deposit at the end of 1950; in each of two States—California and Florida—there were only two.

The percentages of banks insured and of deposits held by insured banks in each State are shown in Charts A and B. These compilations exclude trust companies not regularly engaged in deposit banking. The number and deposits of all banks grouped by type of bank and insurance status are given in Table 1.

In each of four States—Maine, New Hampshire, Massachusetts, and Connecticut—deposits of insured banks amounted to less than two-thirds of total deposits. The lower ratio of deposits in insured banks in New England is due chiefly to the considerable number of mutual savings banks in that area not participating in deposit insurance.

Chart A. PERCENTAGE OF BANKS INSURED, DECEMBER 31, 1950



ACTION TO PROTECT DEPOSITORS

Aid to insured banks for protection of depositors, 1950. During 1950 four insured banks needed financial aid from this Corporation to protect their depositors. In all four cases the Corporation was able to consummate transactions whereby other insured banks in the same localities assumed the deposit liabilities and acquired certain assets of the banks in trouble. The difference between the deposits assumed and the assets accepted was furnished in cash by the Corporation, which in return took the unacceptable assets. To purchase these assets the Corporation disbursed \$3,183,000.

In three of these banks large defalcations were the direct cause of the difficulties. In the fourth bank, adversely classified assets were the immediate cause, but defalcations in substantial amounts were discovered after the bank was taken over and its affairs were subjected to close scrutiny. The records in all four banks were found to have been falsified or partially destroyed, and it is not yet possible to give accurate figures for the amount of deposits or the number of accounts involved. The estimates now available indicate that total deposits of the banks were nearly \$6,000,000 and the number of accounts over 6,000.

Each of the three banks in which defalcations were the immediate cause of closing was carrying fidelity insurance in an amount approximating the recommendation of the Insurance and Protective Committee of the American Bankers Association. However, the sum of the peculations was more than ten times the amount of fidelity insurance carried. The Federal Deposit Insurance Corporation emphasizes that along with the need for adequate fidelity insurance is the need for more internal controls and ceaseless vigilance by bank directors. The control of fraud in banks is definitely a responsibility of the directors, and not that of a governmental agency. Examinations of banks by supervisory agencies are focused on determination of the solvency and adequacy of capital of the banks, and on compliance with the laws under which the banks operate, and not upon the discovery and prevention of defalcations.

Directors of a bank are the persons to whom its shareholders and depositors look for proper management of its affairs. In accepting his office, each director assumes the responsibility of exercising such care and diligence in the discharge of his duties as would be shown by an ordinarily prudent and diligent man. It is the responsibility of the directors to keep a reasonably close supervision of the bank's activities by means of adequate investigations and audits of the bank's records at intervals sufficiently frequent to act as a deterrent to careless or fraudulent tendencies on the part of bank personnel. Further, the directors have the additional responsibility to see that internal controls are adequate to

prevent losses of the bank's funds through fraudulent and criminal practices of outsiders, such as are involved in check-kiting schemes.

Aid to insured banks for protection of depositors, 1934-1950.

From the beginning of deposit insurance on January 1, 1934, to the end of 1950 the Corporation made disbursements in 415 insured banks. These banks had about 1,354,000 deposit accounts, totaling approximately \$533 million. The Corporation disbursed \$273 million, exclusive of advances for the protection and maintenance of collateral, liquidation expenses, and the cost of assets purchased from receivers of closed banks or liquidating officers in absorption cases. Including such advances and expenses, the Corporation disbursed \$319 million. The number of depositors and their losses, together with the disbursements and estimated losses of the Corporation during each of the 17 years, are given in Table 2.

Table 2. LOSSES TO DEPOSITORS AND TO THE FEDERAL DEPOSIT INSURANCE CORPORATION IN INSURED BANKS IN FINANCIAL DIFFICULTIES, BY YEARS, 1934-1950

| Year | Number of banks | Number of depositors ¹ | Amount of deposits (in thousands) | Losses to depositors ² (in thousands) | Losses to the Corporation ³ (in thousands) | Disbursements by the Corporation ⁴ (in thousands) |
|-----------------|-----------------|-----------------------------------|-----------------------------------|--|---|--|
| 1934-1950 . . . | 415 | 1,354,172 | \$533,421 | \$1,824 | \$26,930 | \$273,203 |
| 1950 | 4 | 6,224 | 5,766 | ..... | 1,360 | 3,183 |
| 1949 | 4 | 5,660 | 4,977 | ..... | 374 | 2,558 |
| 1948 | 3 | 18,311 | 10,455 | ..... | 697 | 3,027 |
| 1947 | 5 | 10,618 | 6,966 | ..... | 124 | 1,777 |
| 1946 | 1 | 1,404 | 316 | ..... | ..... | 292 |
| 1945 | 1 | 12,484 | 5,695 | ..... | ..... | 1,874 |
| 1944 | 2 | 5,488 | 1,915 | 3 | 41 | 1,520 |
| 1943 | 5 | 27,372 | 12,535 | 13 | 124 | 7,250 |
| 1942 | 20 | 60,602 | 19,011 | 5 | 683 | 11,154 |
| 1941 | 15 | 73,046 | 29,721 | 33 | 610 | 23,930 |
| 1940 | 43 | 256,373 | 142,389 | 81 | 4,145 | 74,456 |
| 1939 | 60 | 392,765 | 157,790 | 985 | 7,422 | 67,804 |
| 1938 | 74 | 203,970 | 59,724 | 40 | 2,432 | 30,512 |
| 1937 | 75 | 130,409 | 33,345 | 109 | 3,564 | 19,202 |
| 1936 | 69 | 89,024 | 27,528 | 171 | 2,415 | 14,833 |
| 1935 | 25 | 44,655 | 13,320 | 415 | 2,732 | 8,890 |
| 1934 | 9 | 15,767 | 1,968 | 19 | 207 | 941 |

¹ Number of depositors in receivership cases; number of deposit accounts in absorption cases.

² Excludes unclaimed deposits on which insurance has been terminated or the claims barred by statute of limitations. Includes restricted or deferred deposits.

³ Sum of losses in the cases in which the disbursement by the Corporation to protect depositors was not repaid in full. Excludes interest or gains in cases in which the disbursement by the Corporation was fully recovered, and gains or losses on assets purchased by the Corporation from receivers of closed banks. For the net loss of the Corporation, see the item, "Losses—estimated net total," in Table 16, p. 28.

⁴ Principal disbursements only. Does not include expenses.

Detailed data: See Tables 120-123, pp. 278-82.

Of the banks in which the Corporation made disbursements, 245 were placed in receivership and 170 were absorbed by other insured banks. In the receiverships 334,425 depositors were paid in full, including those who failed to make claims but whose funds were held in trust, and 48,339 sustained some loss after payment of the insured deposits

by the Corporation. In the absorptions none of the 971,408 depositors experienced any loss, as all deposit liabilities were assumed by the absorbing banks. The depositors in the banks absorbed, together with those in receiverships who were paid in full, constituted 96.4 percent of all depositors involved. In amounts, recoveries to depositors are estimated to be \$531,358,000, or a total of 99.6 percent of all deposits in the 415 banks. In addition \$59,000 was paid into funds held in trust for depositors whose claims were not presented within the prescribed time. Further details are given in Table 3.

Table 3. NUMBER OF DEPOSITORS, AMOUNT OF DEPOSITS, RECOVERIES, AND LOSSES IN INSURED BANKS PLACED IN RECEIVERSHIP OR ABSORBED WITH THE FINANCIAL AID OF THE CORPORATION, 1934-1950

| Item | Total | Banks placed in receivership | Banks absorbed with financial aid of the Corporation |
|--|------------------|------------------------------|--|
| Number of banks..... | 415 | 245 | 170 |
| Number of depositors..... | 1,354,172 | 382,764 | 971,408 |
| Estimated number with no loss..... | 1,301,867 | 330,459 | 971,408 |
| Estimated number with some loss..... | 2,483 | 2,483 | ..... |
| Estimated number with claims barred by termination of insurance or receivership..... | 49,822 | 49,822 | ..... |
| Amount of deposits (in thousands)..... | \$533,421 | \$109,603 | \$423,818 |
| Estimated recovery by depositors..... | 531,358 | 107,540 | 423,818 |
| Estimated loss by depositors..... | 1,824 | 1,824 | ..... |
| Insurance terminated or claims barred..... | 239 | 239 | ..... |
| Disbursements by the Corporation (in thousands)¹ | \$273,203 | \$87,044 | \$186,159 |
| Estimated loss to the Corporation (in thousands)² | 26,930 | 14,401 | 12,529 |

¹ 1,514 depositors will lose an estimated \$1,783,000 in accounts which exceeded the limit of \$5,000 insurance and were not otherwise protected, and 969 depositors will lose about \$41,000 in accounts which had been restricted or deferred prior to 1934, or were otherwise ineligible for insurance protection.

² Excludes advances for the protection and maintenance of collateral, liquidation expenses, and the cost of assets purchased from receivers of closed banks. Also excluded is \$17,000 set aside for payment of depositor's claims not yet proven in the receivership cases. For the amount of disbursements including these items, see Table 16, p. 28.

³ See note 3 to Table 2.

Detailed data: See Tables 120-123, pp. 273-82.

Receiverships. All of the 245 receiverships of insured banks occurred prior to June 1944. Since that date the Federal Deposit Insurance Corporation has successfully protected all deposits in insured banks. That is to say, for nearly seven years receiverships of insured banks in difficulty have been avoided, and no depositor of any insured bank has lost a single penny because of bank failures. This constitutes an all-time record in the nation's history for bank solvency and safety of deposits.

The Corporation's disbursements to depositors in the 245 receiverships were \$87,044,000. In addition, \$17,000 has been set aside for unproven claims. This figure is slightly less than was previously reported due to final determination of unproven depositors' claims, which had been carried as insured deposits by the Corporation pending such determina-

tion. Losses to the Corporation in the receivership cases are expected to amount to \$14,401,000 or 16.5 percent of disbursements. Those to depositors will average only 2 percent of their deposits. Further details regarding the paid and unpaid deposits are given in Table 4.

Table 4. PAYMENT OF DEPOSITS BY THE CORPORATION AND BY RECEIVERS IN INSURED BANKS PLACED IN RECEIVERSHIP, 1934-1950

(In thousands)

| Status of deposits | Total | Paid by Dec. 30, 1950 | Unpaid on Dec. 30, 1950 |
|--|------------------|-----------------------|-------------------------|
| Deposits—total | \$109,603 | \$107,582 | \$2,021 |
| Insured..... | 87,061 | 87,044 | 17 |
| Secured, preferred, and subject to offset..... | 11,682 | 11,682 | (1) |
| In excess of \$5,000, not otherwise protected..... | 9,685 | 7,902 | 1,783 |
| Other uninsured..... | 936 | 895 | 41 |
| Insurance terminated or claims barred ¹ | 239 | 59 | 180 |
| Deposits, terminated receiverships, (240 banks)—total | \$ 86,042 | \$ 85,032 | \$1,010 |
| Insured..... | 68,779 | 68,779 | ..... |
| Secured, preferred, and subject to offset..... | 10,045 | 10,045 | ..... |
| In excess of \$5,000, not otherwise protected..... | 6,086 | 5,254 | 832 |
| Other uninsured..... | 936 | 895 | 41 |
| Insurance terminated or claims barred..... | 196 | 59 | 137 |
| Deposits, active receiverships, (5 banks)—total | \$ 23,561 | \$ 22,550 | \$1,011 |
| Insured..... | 18,282 | 18,265 | 17 |
| Secured, preferred, and subject to offset..... | 1,637 | 1,637 | (1) |
| In excess of \$5,000, not otherwise protected..... | 3,599 | 2,648 | 951 |
| Other uninsured..... | ..... | ..... | ..... |
| Insurance terminated or claims barred..... | 43 | ..... | 43 |

¹ Less than \$500.

² Includes in a few cases payments by receivers, either directly or into a trust, to meet claims presented after termination of receivership.

The Corporation acts as receiver for all insured national banks placed in receivership, and for closed insured State banks when so appointed by State authorities. The Corporation has been able to terminate the receiverships in the cases in which it was receiver, except for one national bank where legal difficulties prevented prompt liquidation. This bank had deposits of about \$1 million. It is estimated that no loss will be suffered by depositors or by the Corporation in this case. In the four remaining State receiverships, the Corporation was not appointed receiver. However, through cooperation with the State banking authorities, periodic reports by the receivers or liquidators are received by the Corporation. These banks had deposits aggregating \$23 million at the time of failure. It is now estimated that in three of these banks neither the depositors nor the Corporation will have any loss. In the fourth, losses will amount to nearly \$1 million for depositors and over \$4 million to the Corporation. The Corporation anticipates that the process of liquidation of all five of these banks will be completed during the forthcoming year.

Ten receiverships were terminated during 1950. Total deposits in these banks were \$17,574,000. The Corporation disbursed \$14,480,000

to insured depositors on which it recovered all but \$269,000. The depositors with accounts in excess of \$5,000 lost only \$24,000. The Corporation also incurred \$94,000 in nonrecoverable expenses in paying off insured depositors.

Absorptions. The Corporation's disbursements in the form of loans to banks in difficulty or purchases of assets from such banks amounted to \$186,159,000. Liquidation of the assets acquired by the Corporation has been completed in 155 of the 170 absorbed banks. At the end of 1950 liquidation was in progress in the remaining 15 cases.

Assets acquired by the Corporation in the absorption cases are liquidated in such manner and during such period as may be necessary to provide the largest recovery. In cases where the Corporation recovers more than the full amount of its investment plus advances, expenses, and an allowable return on its investment, the excess is delivered to the banks' stockholders.

Recoveries and losses to the Corporation. By December 31, 1950, the Corporation had recovered nearly \$291 million of its \$319 million total disbursements in receiverships and absorptions. The Corporation expects to recover an additional \$2 million from liquidations not yet terminated. Table 5 summarizes the Corporation's disbursements and its recoveries and losses in the two groups of cases.

Table 5. DISBURSEMENTS TO PROTECT DEPOSITORS, RECOVERIES, AND LOSSES BY THE CORPORATION FROM INSURED BANKS PLACED IN RECEIVERSHIP OR ABSORBED WITH ITS FINANCIAL AID, 1934-1950

| Item | Total | Liquidation terminated | Liquidation active |
|---|------------------|------------------------|--------------------|
| Number of banks | 415 | 395 | 20 |
| Receiverships..... | 245 | 240 | 5 |
| Absorptions..... | 170 | 155 | 15 |
| Disbursements (in thousands)¹ | \$273,203 | \$184,236 | \$88,967 |
| Receiverships..... | 87,044 | 68,779 | 18,265 |
| Absorptions..... | 186,159 | 115,457 | 70,702 |
| Estimated additional disbursements in receiverships (in thousands)² | 17 | | 17 |
| Recoveries (in thousands) | 244,225 | 166,729 | 77,496 |
| Receiverships..... | 72,489 | 58,778 | 13,711 |
| Absorptions..... | 171,736 | 107,951 | 63,785 |
| Estimated additional recoveries (in thousands) | 2,065 | | 2,065 |
| Receiverships..... | 171 | | 171 |
| Absorptions..... | 1,894 | | 1,894 |
| Losses by the Corporation (in thousands)³ | 26,930 | 17,507 | 9,423 |
| Receiverships..... | 14,401 | 10,001 | 4,400 |
| Absorptions..... | 12,529 | 7,506 | 5,023 |

¹ Includes only principal disbursements; i.e., excludes expenses incident to the transaction, the greater part of which has been recovered. See note 2 to Table 3.

² Insured deposits which have not been paid. See note 2 to Table 3.

³ Losses on principal disbursements: see note 3 to Table 2. Losses in terminated cases are the established losses; those in active cases are estimated.

Detailed data: See Table 123, p. 282.

The Corporation's recoveries include \$244 million recovery on \$273 million principal disbursements and full recovery of expenses incident to the transactions. The expenses which were recovered include advances for the protection and maintenance of collateral, expenses of liquidation of assets acquired in absorption cases, and the cost of assets purchased from receivers of closed banks or liquidating officers in absorption cases.

The Corporation's losses in the 415 insured banks placed in receivership or absorbed with its financial aid are estimated at \$27 million. Depositors' losses in the receivership cases are estimated at \$2 million. In addition, losses of the Reconstruction Finance Corporation on preferred stock investments in these banks are estimated at \$41 million. That Corporation had invested approximately \$43 million in those banks, of which it will recover only \$2 million. The total losses to depositors, to the Federal Deposit Insurance Corporation, and to the Reconstruction Finance Corporation is therefore approximately \$70 million, or 13 percent of the total deposits of the 415 banks.

In 1950 the total estimated losses to the Corporation increased because of the disbursements to four additional banks during the year. Estimates of losses are necessarily subject to substantial revision, as it is impossible to determine accurately the value of many of the assets acquired until after careful and detailed analysis has been made or, in some cases, until actual disposal.

Table 6 gives the figures of total losses to the Corporation as estimated at the end of each of the past seven years. Comparable data for prior years are not available.

Table 6. ESTIMATED LOSSES TO THE CORPORATION COMPARED WITH DISBURSEMENTS, BY YEAR OF ESTIMATE, 1944-1950

| Period | Number of banks | Disbursements to end of period (in thousands) ¹ | Losses as estimated at end of period (in thousands) ² | Estimated losses as percent of disbursements |
|---------------------|-----------------|--|--|--|
| 1934-1950 | 415 | \$273,203 | \$26,930 | 9.8% |
| 1934-1949 | 411 | 269,961 | 25,490 | 9.4 |
| 1934-1948 | 407 | 266,976 | 24,930 | 9.3 |
| 1934-1947 | 404 | 264,184 | 26,014 | 9.8 |
| 1934-1946 | 399 | 262,133 | 28,896 | 11.0 |
| 1934-1945 | 398 | 261,717 | 31,111 | 11.9 |
| 1934-1944 | 397 | 259,696 | 38,810 | 14.9 |

¹ Principal disbursements. See note 2 to Table 3.

² Losses on principal disbursements. See note 3 to Table 2.

SUPERVISORY ACTIVITIES

Bank examinations. The policy of the Corporation from its establishment has been to examine at least once annually each insured State bank which is not a member of the Federal Reserve System. The infor-

mation of the Corporation relating to national banks is derived chiefly from a review of reports of examination furnished by the Office of the Comptroller of the Currency; and information relating to State banks members of the Federal Reserve System from a review of reports of examination furnished by the Board of Governors of that System. In a few cases the Corporation has made special examinations of national banks or State banks members of the Federal Reserve System. These have been made in connection with proceedings to terminate the insured status of banks engaged in unsafe or unsound practices, or purchase of assets and the making of loans to distressed banks, or applications for continuance of insurance of banks contemplating withdrawal from the Federal Reserve System or conversion from a national to a State bank. The Corporation, since its beginning, has conducted approximately 113,000 bank examinations, of which about 200 have been of institutions regularly examined by another Federal agency.

During 1950 the Corporation conducted 6,526 regular examinations. In addition, it made approximately 820 other examinations and investigations. The latter figure includes 127 repeat examinations, 55 entrance examinations of operating banks, 132 new bank investigations, 106 branch investigations, and about 400 miscellaneous investigations. The above figures do not include the regular examinations of 1,186 branches and 775 trust departments. In addition to reviewing and analyzing these reports, the Corporation reviewed and analyzed 2,085 reports of examination performed by the Federal Reserve banks and 5,745 reports of examination performed by the Office of the Comptroller of the Currency.

During the year the Corporation approved the retirement of preferred capital amounting to \$6,300,000, at retrievable value, in 167 insured banks not members of the Federal Reserve System. About two-thirds of this was held by the Reconstruction Finance Corporation and the remainder by private investors. Much of this amount was replaced by cash subscriptions to new issues of common stock. In conjunction with its examining activities, the Corporation was instrumental in effecting capital increases in other instances, either through cash subscriptions or stock dividends. Altogether, cash increases totaled \$5,100,000 in common and preferred stock, and \$3,700,000 in other capital segregations. In addition, common capital accounts in these banks were increased by approximately \$14,800,000 through the medium of dividends payable in common stock.

Since the inauguration of deposit insurance in 1934, officials of the Corporation have repeatedly called attention to the need for adequate capital in insured banks. The Corporation has urged banks to retire as rapidly as possible, without impairing the adequacy of their capital, the

preferred stock which was issued to the Reconstruction Finance Corporation during the depression years of the early 1930's and to build up their capital through retention of earnings or through the sale of additional stock to private investors. The Reconstruction Finance Corporation originally invested more than \$1 billion in the capital of about 6,000 banks. By the end of 1950 this had been reduced to \$98 million in 423 banks.

The Corporation continues to recommend that insured banks carry fidelity bond coverage equal to or above the amounts suggested by the Insurance and Protective Committee of the American Bankers Association. In June of 1950 the Insurance and Protective Committee revised upwards its schedule of recommended blanket bond fidelity coverage. Since the change was effected during the calendar year, tabulations of the number of insured banks which meet the suggested coverage are not comparable with those for previous years. There is evidence, however, that the banks should and are continuing to increase their coverage in compliance with the recommendations of supervisory authorities and the American Bankers Association.

In 1950 the Division of Examination was successful in maintaining its field examining force at a point closely approximating its authorized numerical strength. During March and April 1950 the United States Civil Service Commission held examinations for appointment to the position of Bank Examiner. These examinations resulted in the re-establishment of registers of eligibles in the 11 districts of the Corporation in which the registers had been exhausted. They led also to conversion to permanent status for non-status incumbent examiners, and provided a pool of eligibles from which future vacancies in the examining force may be filled. At the same time the examining staff was brought up to practically full strength through the appointment of successful candidates.

Educational program for examiners. The Corporation is continuing its education program for examiners. This program, which was started in 1946, consists primarily of correspondence work in courses of study given by the American Institute of Banking, but also includes evening residence courses offered by colleges or universities and local chapters of the institute as well as special graduate courses at two selected universities. Total enrollment in all educational projects numbered 285 at year-end.

The more advanced courses of study are made available to a limited number of examiners each year through enrollment in the American Bankers' Association Graduate Schools of Banking held at Rutgers University and the School of Banking at the University of Wisconsin. These graduate sessions are held for a two-week period each summer and consist of an intensified educational training program sponsored

by bankers primarily for their employees. The average annual enrollment of the Corporation's examiners at Rutgers and Wisconsin is about 45 under the present schedule.

More than 900 education courses were completed by personnel of the Corporation from 1946 to 1950, inclusive. Among those taking American Institute of Banking courses, 46 were awarded Pre-Standard Certificates, 38 received Standard Certificates, and 7 received Graduate Certificates from the Institute. Of the examiners with the Corporation at the close of 1950, 31 held diplomas from the two Graduate banking schools. A number of other examiners received college degrees for study completed in part under the evening residence program, bringing to 224 the total number of such degrees held by Corporation examiners. In addition, many of those examiners who left the Corporation to take positions in private banks or State banking departments have benefited from the educational program sponsored by the Corporation.

The cost of the training program is paid by the Corporation, although those students who attend the Graduate summer schools must forego two weeks of their annual leave. The Corporation believes that it is to its own financial advantage and to the best interest of the dual banking system to keep its examiners abreast of the times and in step with the educational advancement of the bankers with whom they deal directly.

The Corporation is proud of its pioneering efforts in the field of in-service training and education of bank examiners. The beneficial effects of such a program are being disseminated throughout the entire banking profession.

Unsafe and unsound banking practices and violations of law or regulations. Section 8(a) of the Federal Deposit Insurance Act charges the Corporation with the responsibility of keeping insured banks within the channels of safe and sound banking. Whenever the Board of Directors finds that a bank has continued to engage in unsafe or unsound practices or violations of the law, it is required to give to the appropriate supervisory authority a statement with respect to such practices or violations for the purpose of obtaining necessary corrections. In situations of this sort the Corporation works jointly with the supervisory authority in the attempt to secure correction of the unsound practices or violations of law. If they are not corrected the Corporation has the authority to terminate the insured status of the bank. This power is used as an ultimate sanction only after every effort has been made to correct the difficulty. Where corrections do not appear to be feasible or likely, the Corporation prefers to have the bank absorbed by a sounder bank rather than to terminate the bank's insured status. Accordingly, formal action to terminate the insured status of banks has been taken in only a small number of cases.

During 1950, proceedings were initiated in accordance with Section 8 of the Federal Deposit Insurance Act against three banks for engaging in unsafe and unsound banking practices and violations of law. The practices and violations of law with which these banks were charged are given in Table 7. In one of these cases, the period given the bank to make corrections had not expired by the end of the year; in another, hearings were held and the charges sustained, and plans worked out for rehabilitation of the bank and correction of the practices; in the other case, the bank was absorbed by another bank.

Table 7. SUMMARY OF UNSAFE OR UNSOUND BANKING PRACTICES AND VIOLATIONS OF LAW CHARGED AGAINST THREE BANKS BY THE CORPORATION DURING 1950

| Type of practice or violation | Number of banks charged | Case identification letters |
|--|-------------------------|-----------------------------|
| Capital: | | |
| Continued operation of the bank with inadequate capital | 3 | a, b, c |
| Continued operation of the bank with surplus or common stock impaired | 2 | a, c |
| Progressive dissipation of capital funds by losses | 1 | b |
| Management and general practices: | | |
| Continued operation of the bank with weak and hazardous management | 3 | a, b, c |
| Continued operation of the bank with incapable or self-serving management | 2 | b, c |
| Continued operation of the bank in an unsafe and extended financial condition | 1 | b |
| Incompetency of the bank's board of directors | 1 | b |
| Failure of the bank's board of directors to perform duties and functions and properly to supervise bank's lending and collection policies | 1 | c |
| Continued carrying of large lines and concentrations of credit to officers and directors of the bank | 1 | a |
| Preferential treatment of dealings with an affiliated finance company | 1 | c |
| Utter disregard of the bank's directors and officers to heed and comply with the recommendations of the State banking authority and of the Corporation | 1 | c |
| Failure to heed the criticisms and recommendations of the bank's examiners | 1 | b |
| Failure to maintain true and correct records | 1 | c |
| Failure to preserve the bank's assets | 1 | c |
| Failure to file claims for and to collect insurance on losses thus protected | 1 | c |
| Insufficient earnings to take losses as they occur | 2 | a, b |
| Loan and investment practices: | | |
| Maintenance of lax lending and collection policies | 3 | a, b, c |
| Large amount of assets classified as "substandard" and as "doubtful" or "loss", as those terms are defined in reports of examination | 3 | a, b, c |
| Large amount of past due loans | 2 | b, c |
| Continued making of improvident, or hazardous and improvident, loans | 2 | a, b |
| Large amount of loans extended to borrowers heavily indebted to the President of the bank and his interests | 1 | b |
| Failure to restrict total loans to reasonable proportion of assets | 1 | c |
| Failure to give necessary attention to loans of questionable value to prevent them from developing into losses | 1 | b |
| Failure to obtain and maintain adequate credit information | 3 | a, b, c |
| Failure to obtain and maintain insurance and evidences of title on properties held as security to loans | 2 | a, b |
| Failure to inspect and appraise chattels and real estate held as security for loans | 1 | b |
| Violations of law: | | |
| Failure to observe and comply with, and violation of, State banking laws | 3 | a, b, c |
| Extension of credit to directors and officers and their interests not in conformity with legal requirements | 1 | c |
| Extensions of credit in excess of statutory limitations | 3 | a, b, c |
| Continued practice of bank's board of directors and officers of knowingly violating and permitting violations of law | 1 | c |

In four other cases, proceedings with respect to banking practices were pending at the beginning of the year. These were banks previously charged with unsafe and unsound practices and violations of law, with final action by the Corporation deferred in view of proposed correction programs. In one of these cases, corrections were made and the action dismissed. In the other three, progress was made in the development of corrective programs, and further action by the Corporation was deferred pending reexamination or completion of the rehabilitation programs.

Since 1935, when the Corporation was given authority to terminate the insurance of banks which continue to engage in unsafe or unsound practices or violations of law or regulations, a total of 145 banks have been charged with such practices and violations. The disposition of these cases is given in Table 8.

Table 8. ACTIONS TO TERMINATE INSURED STATUS OF BANKS CHARGED WITH ENGAGING IN UNSAFE OR UNSOUND PRACTICES OR VIOLATIONS OF LAW OR REGULATIONS, 1936-1950

| Disposition or status | Total cases 1936-1950 ¹ | Pending beginning of 1950 | Started during 1950 |
|--|------------------------------------|---------------------------|---------------------|
| Total banks against which action was taken..... | 145 | 4 | 3 |
| Cases closed: | | | |
| Corrections made..... | 32 | 1 | ..... |
| Insured status terminated, or date for such termination set by Corporation, for failure to make corrections: | | | |
| Banks suspended prior to or on date of termination of insured status..... | 7 |  | ..... |
| Banks continued in operation ² | 3 |  | ..... |
| Banks suspended prior to setting of date of termination of insured status by Corporation..... | 32 |  | ..... |
| Banks absorbed or succeeded by other banks: | | | |
| With financial aid of the Corporation..... | 61 |  | ..... |
| Without financial aid of the Corporation..... | 5 | | 1 |
| Cases pending December 31, 1950: | | | |
| Correction period not expired..... | 1 | | 1 |
| Action deferred pending reexamination or completion of rehabilitation program..... | 4 | 3 | 1 |

¹ No action to terminate the insured status of any bank was taken before 1936. In 5 cases where initial action was replaced by action based upon additional charges, only the later action is included.

² One of these suspended 4 months after its insured status was terminated.

Back data: See the Annual Report of the Corporation for 1949, p. 13, and earlier reports.

Approval of banks for insurance. During 1950 the Corporation approved the applications of 102 banks for admission to insurance. Of these, 56 were new banks, 38 were operating as noninsured banks at the beginning of the year or were successors to such banks, 1 was a financial institution which had not been engaged previously in deposit banking, and 7 were insured banks which obtained new charters or withdrew from the Federal Reserve System. Five applications for admission to insurance were disapproved because the conditions enumerated in the deposit insurance law were not met.

The number of applications for admission to insurance acted on by the Corporation in prior years is given in the Annual Report of the Corporation for 1949, page 14. For the number of banks which became insured during 1950—a figure which differs from the number approved for insurance by the Board of Directors—see page 216 of this report.

Approval of actions by insured banks. During 1950 the Corporation approved the establishment of 87 branches by insured banks not members of the Federal Reserve System. Of these, 76 were for the establishment of new banking offices, and 11 were banks to be absorbed and converted into branches. The Corporation also approved continuation of operation of 38 branches previously operated by absorbed banks, and the sale of one branch to another bank with assumption of the deposits of the branch. The Corporation disapproved three applications for permission to establish branches. For Corporation actions regarding establishment of branches in prior years, see the Annual Report of the Corporation for 1949, page 15.

During 1950 the Corporation approved the applications of 10 insured banks for permission to exercise trust powers, and disapproved one such application. The Corporation approved one bank's application for permission to change the business of a paying and receiving station to that of a regular branch.

The Corporation approved in ten cases the assumption of deposit liabilities of one bank by another bank. In five of these cases, deposits of a noninsured bank were assumed by an insured bank; in three cases deposits of one insured bank were assumed by another insured bank; and in one case time deposits of an insured bank were assumed by a noninsured bank. In the other case, the Corporation approved the assumption of deposit liabilities of an insured bank by a noninsured institution, with simultaneous assumption of those deposit liabilities from the noninsured institution by another insured bank.

Reports from banks. Insured State banks not members of the Federal Reserve System, other than those in the District of Columbia, were required by the Corporation to report their assets, liabilities, and capital accounts as of June 30 and December 30, 1950, and their earnings, expenses, and disposition of profits for the calendar year 1950. Summaries of corresponding data for other insured banks have been furnished to the Corporation by the agencies to which those banks make reports. Tabulations from the reports of assets, liabilities, and capital accounts, for the nation and for each State, are given in the pamphlets published by the Corporation, "Report No. 33, Operating Insured Commercial and Mutual Savings Banks, Assets and Liabilities, June 30, 1950," and "Report No. 34, Assets, Liabilities, and Capital Accounts, Capital and other Ratios, Commercial and Mutual Savings Banks, December 30,

1950." Summary tabulations are given in Table 107 of this report, pages 236-39. Summaries of the reports of earnings, expenses, and disposition of profits are given in Tables 113-119, pages 254-75 of this report.

Through the cooperation of State banking authorities and of officials of banking institutions not under State or Federal supervision, mostly unincorporated banks, the Corporation obtained, as of June 30 and December 30, reports of assets and liabilities of noninsured banks and trust companies which do not file reports with a Federal agency. Tabulations from these reports, and tabulations for all banks and trust companies obtained by combining the data for insured and noninsured banks, are given in Tables 103-106, pages 226-35, of this report. Similar tabulations by State for December 30 are given in the pamphlet, "Report No. 34," referred to above.

LEGAL DEVELOPMENTS

The Federal Deposit Insurance Act. For several months during 1949 the Board of Directors and members of the staff studied the need for amendments to the law creating the Corporation with a view of re-casting it into an entirely new Act to be known as the Federal Deposit Insurance Act. Proposals were drafted. Conferences with outstanding bankers, bank representatives and others were held and in January, 1950, the proposals were submitted to Congress in S.2822. The banking and currency committees of both houses held hearings on the bill. The important changes in the old law recommended by the Corporation were adopted by Congress. The old statute was withdrawn from the Federal Reserve Act and the new one, to be known as The Federal Deposit Insurance Act, was passed by the Congress and approved by the President on September 21, 1950. (Public Law 797, 81st Congress; 64 Stat. 873; 12 U.S.C. 1811-1831). The important changes made by the new Act are discussed on pages 1-7 and the text of the Act is given on pages 105-32.

National Bank Conversion Act. Congress authorized a national bank to convert into, or merge or consolidate with a State bank in the same State under a State charter, where under the State law, State banks may without approval by any State authority convert into and merge or consolidate with national banks as provided by Federal law (Public Law 706, 81st Congress; 64 Stat. 455; 12 U.S.C. 214, 214a-214c). This law gives control over the diminution of capital and surplus in assumption, merger, consolidation, and conversion transactions to the Federal banking agency having jurisdiction over the resulting banks. It also provides for continuance of insurance when a national bank converts to a State bank, or when a State bank results from the merger or consolidation of an insured bank with any other bank or banks. The text of this Act is given on pages 153-57.

Rules and regulations of the Corporation. The rules and regulations of the Corporation were revised after the enactment of the Federal Deposit Insurance Act. The rules and regulations were published in the Federal Register of December 6, 1950 (15 F.R. 8628), with effective date of January 6, 1951, as a revision of Chapter III, Title 12, Code of Federal Regulations. They are given on pages 158-208 of this report.

State legislation. A summary of State banking legislation enacted during 1950 is given on pages 209-11.

PERSONNEL AND FINANCIAL STATEMENTS OF THE CORPORATION

Directors and employees. Mr. Maple T. Harl, Mr. Preston Delano, and Mr. H. Earl Cook continued to serve as members of the Board of Directors throughout the year.

On December 31, 1950, the Corporation had 1,075 officers and employees, compared with 1,088 at the beginning of the year. The number of employees in each Division of the Corporation at the end of 1950 is given in Table 9. Two-thirds of the employees of the Corporation are in the Division of Examination. Because of the cost of travel and other expenses incurred in examining banks, the expenses of the Division of Examination are three-fourths of the total operating expenses of the Corporation.

Table 9. NUMBER OF OFFICERS AND EMPLOYEES, FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1950

| Division | Total | Washington office | District and field offices |
|--|--------------|-------------------|----------------------------|
| Total | 1,075 | 325 | 750 |
| Directors..... | 3 | 3 | ..... |
| Executive Division..... | 24 | 24 | ..... |
| Legal Division..... | 24 | 24 | ..... |
| Division of Examination..... | 727 | 42 | 685 |
| Division of Liquidation..... | 90 | 25 | 65 |
| Division of Research and Statistics..... | 46 | 46 | ..... |
| Personnel Division..... | 17 | 17 | ..... |
| Division of Accounts..... | 42 | 42 | ..... |
| Audit Division..... | 27 | 27 | ..... |
| Service Division..... | 75 | 75 | ..... |

Income and expenses. A statement of the income, expenses, and surplus of the Corporation for 1950 is given in Table 10.

The assessment income accruing to the Corporation was much smaller than in prior years, because of the credit to insured banks required by the Federal Deposit Insurance Act of 1950. As a consequence the income of the Corporation in 1950 was less than \$85 million. Approximately

two-thirds of this sum was derived from assessments and one-third from interest on Government securities.

Table 10. STATEMENT OF OPERATIONS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR THE YEAR ENDED DECEMBER 31, 1950

| | |
|--|----------------------------------|
| Surplus adjustments: | |
| Surplus (deposit insurance fund), December 31, 1949 | \$1,203,942,687.76 |
| Adjustments applicable to years prior to 1950: | |
| Interest on capital stock paid to U. S. Treasury | \$40,281,155.89 |
| Other adjustments (net credit) | <u>3,901,764.27</u> |
| Net decrease | 36,379,331.62 |
| Surplus (deposit insurance fund) as adjusted, December 31, 1949 | <u>\$1,167,563,296.14</u> |
| Income: | |
| Deposit insurance assessments | \$122,682,611.27 |
| Less: Net assessment income to be credited to insured banks (see Table 11) | <u>68,706,890.72</u> |
| Net deposit insurance assessments | \$ 53,975,720.55 |
| Interest earned on U. S. Government obligations | 27,960,077.56 |
| Other interest received | 2,605,711.78 |
| Other income | <u>13,350.09</u> |
| Total income | <u>\$ 84,554,859.98</u> |
| Losses and expenses: | |
| Operating expenses | \$ 6,409,098.55 |
| Provision for insurance losses | 1,759,174.54 |
| Insurance losses in excess of reserves | <u>2,853.64</u> |
| Total losses and expenses | <u>\$ 8,171,126.73</u> |
| Net income for the year | <u>\$ 76,383,733.25</u> |
| Surplus (deposit insurance fund), December 31, 1950 | <u>\$1,243,947,029.39</u> |

Assessments payable in 1950 were \$123 million. After deduction of the Corporation's operating expenses and losses, three-fifths of the balance, or \$69 million, was credited at the end of the year to insured banks as an offset to the assessments payable in 1951. The method of determining this amount is given in Table 11.

Table 11. DETERMINATION AND DISTRIBUTION OF NET ASSESSMENT INCOME FOR THE YEAR ENDED DECEMBER 31, 1950

| | | |
|---|----------------------------------|--------------------------------|
| Total assessments which became due during the calendar year | | \$ 122,682,611.27 |
| Less: | | |
| 1. Operating costs and expenses for the calendar year | \$ 6,409,098.55 | |
| 2. Additions to reserve to provide for insurance losses | 1,759,174.54 | |
| 3. Insurance losses in excess of reserves | <u>2,853.64</u> | |
| Total deductions | | <u>\$ 8,171,126.73</u> |
| Net assessment income | | <u>\$114,511,484.54</u> |
| 40% of net assessment income to be transferred to the Corporation's capital account | \$ 45,804,593.82 | |
| Balance of net assessment income to be credited pro rata to insured banks | <u>68,706,890.72¹</u> | |
| | | <u>\$114,511,484.54</u> |

¹ Represents 56.00377% of total assessments becoming due during 1950.

Total losses and expenses of the Corporation were \$8 million in 1950. Insurance losses for 1950 were nearly \$2 million, and operating expenses over \$6 million. A classification of operating expenses is given in Table 12.

Table 12. OPERATING COSTS AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR THE YEAR ENDED DECEMBER 31, 1950

| | |
|---|-----------------------|
| Salaries..... | \$4,546,758.35 |
| Professional services..... | 21,443.17 |
| Services of other Government agencies..... | 3,500.99 |
| Transportation..... | 227,159.28 |
| Subsistence..... | 951,379.77 |
| Office rental..... | 348,771.97 |
| Printing, stationery, and supplies..... | 156,424.41 |
| Postage, telephone, and telegraph..... | 42,486.25 |
| Insurance and fidelity bond premiums..... | 5,411.09 |
| Subscriptions..... | 13,679.34 |
| Equipment rental..... | 22,406.09 |
| Repairs and alterations..... | 11,506.88 |
| Transportation of things..... | 9,635.07 |
| Furniture, fixtures, and equipment..... | 56,874.31 |
| Miscellaneous..... | 42,376.48 |
| Total..... | \$6,459,813.45 |
| Less: Inter-departmental expense transfers..... | 39,120.25 |
| Expenses recovered..... | 11,594.65 |
| Total..... | 50,714.90 |
| Operating costs and expenses for year ended December 31, 1950..... | \$6,409,098.55 |

The Corporation's operating income after expenses in 1950, which was added to the deposit insurance fund, was \$76 million. In addition, the fund was increased by \$4 million in net adjustments applicable to prior years. However, because of the 1950 legislation, the fund at the end of the year was only \$40 million, or 3 percent, larger than at the beginning of the year. The difference of \$40 million resulted from payment of one-half of the interest due the United States Treasury for the use of Treasury and Federal Reserve funds while invested in the capital stock of the Corporation. Under the provisions of the Federal Deposit Insurance Act of 1950 this interest, at the rate of 2 percent per year, was made payable in two instalments. The second instalment is to be paid prior to July 1, 1951.

A summary of the income and expenses of the Corporation, and additions to surplus, for each year since its organization is given in Table 13.

Assets and liabilities. A summary of the assets and liabilities of the Corporation for December 31, 1934 to 1950, is given in Table 14.

Assets of the Corporation totaled \$1,314 million at the end of 1950. United States Government obligations and accrued interest receivable of \$1,309 million accounted for most of this total. The remaining assets were \$2.5 million in cash, \$2.3 million in assets acquired through bank suspensions and absorptions, and \$0.1 million in miscellaneous accounts receivable and deferred charges.

Table 13. INCOME AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION SINCE BEGINNING OF OPERATIONS SEPTEMBER 11, 1933, ADJUSTED AS OF DECEMBER 31, 1950¹

(In millions)

| Year | Income | | | Expenses | | | | Net income added to insurance fund |
|--------------------------|------------------|-------------------------------|-----------------------------|----------------|--|---------------------------|--------------------------------------|------------------------------------|
| | Total | Deposit insurance assessments | Investment and other income | Total | Deposit insurance losses and expenses ² | Interest on capital stock | Administrative expenses ³ | |
| 1933-1950 | \$1,381.6 | \$1,078.2 | \$303.4 | \$137.7 | \$27.2 | \$40.3 | \$70.2 | \$1,243.9 |
| 1950 | 84.6 | 54.0 ⁴ | 30.6 | 7.7 | 1.3 | | 6.4 | 76.9 |
| 1949 | 148.3 | 119.8 | 28.5 | 6.4 | .3 | | 6.1 | 141.9 |
| 1948 | 146.8 | 119.3 | 27.5 | 7.1 | .7 | .3 | 6.1 | 139.7 |
| 1947 | 157.7 | 114.4 | 43.3 | 8.0 | .1 | 2.4 | 5.5 | 149.7 |
| 1946 | 130.9 | 107.1 | 23.8 | 7.5 | .1 | 2.9 | 4.5 | 123.4 |
| 1945 | 121.2 | 93.7 | 27.5 | 6.9 | .1 | 2.9 | 3.9 | 114.3 |
| 1944 | 99.5 | 80.9 | 18.6 | 6.8 | .1 | 2.9 | 3.8 | 92.7 |
| 1943 | 86.7 | 70.0 | 16.7 | 7.4 | .2 | 2.9 | 4.3 | 79.3 |
| 1942 | 69.4 | 56.5 | 12.9 | 7.3 | .5 | 2.9 | 3.9 | 62.1 |
| 1941 | 62.0 | 51.4 | 10.6 | 7.2 | .6 | 2.9 | 3.7 | 54.8 |
| 1940 | 55.9 | 46.2 | 9.7 | 10.7 | 4.2 | 2.9 | 3.6 | 45.2 |
| 1939 | 51.2 | 40.7 | 10.5 | 13.9 | 7.6 | 2.9 | 3.4 | 37.3 |
| 1938 | 47.8 | 38.3 | 9.5 | 8.3 | 2.4 | 2.9 | 3.0 | 39.5 |
| 1937 | 48.1 | 38.8 | 9.3 | 9.1 | 3.5 | 2.9 | 2.7 | 39.0 |
| 1936 | 43.8 | 35.6 | 8.2 | 7.9 | 2.5 | 2.9 | 2.5 | 35.9 |
| 1935 | 20.7 | 11.5 | 9.2 | 8.3 | 2.7 | 2.9 | 2.7 | 12.4 |
| 1933-34 | 7.0 | (5) | 7.0 | 7.2 | .3 | 2.8 | 4.1 ⁵ | -0.2 |

¹ Includes income received and expenses incurred in administering the Federal Credit Union Act from May 16, 1942, to July 23, 1948. The Corporation was fully reimbursed for all expenses incurred in connection with this operation.

² Includes nonrecoverable expenses incurred pursuant to the insurance of deposits in closed insured banks. Total deposit insurance losses and expenses are therefore larger than the losses incurred and reserve for losses, as given in Table 15.

³ Includes furniture, fixtures, and equipment charged off.

⁴ Net after deducting \$68.7 million, representing credits to insured banks of 40 percent of net assessment income for 1950, pursuant to provisions contained in the Federal Deposit Insurance Act (see Tables 10 and 11).

⁵ Assessments collected from insured banks, members of the temporary insurance funds, were credited to their accounts in total at the termination of the temporary funds, and were applied toward payment of subsequent assessments becoming due under the permanent insurance fund, resulting in no income to the Corporation from assessments during the existence of the temporary insurance funds.

⁶ Net after deducting the portion of expenses and losses charged to banks withdrawing from the temporary insurance funds on June 30, 1934.

A statement of the assets and liabilities of the Corporation at the close of 1950 is given in Table 15.

The Corporation's assets acquired through bank suspensions and mergers represent its disbursements to protect depositors in closed banks less its recoveries, its known losses, and estimated additional losses. From the beginning of deposit insurance to December 31, 1950, the Corporation disbursed a total of \$319.3 million to protect depositors in 415 closed or absorbed banks. During this same period recoveries of \$290.6 million were made, leaving an uncollected balance of only \$28.7 million. The actual known losses, less realized profits, for the 17-year period were \$17.0 million. It is estimated that additional losses of \$9.4 million will be incurred, leaving a net book value of remaining assets of \$2.3 million. Further details regarding the disbursements, collections, and losses are given in Table 16.

Table 14. ASSETS AND LIABILITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1950

(in millions)

| Dec. 31 | Cash | U. S. Government obligations | Insurance assets | Other assets | Total assets | Liabilities | Deposit insurance fund ¹ |
|-----------|--------|------------------------------|------------------|--------------|--------------|-------------|-------------------------------------|
| 1950..... | \$ 2.4 | \$1,309.5 | \$ 2.3 | \$.1 | \$1,314.3 | \$70.4 | \$1,243.9 |
| 1949..... | 1.4 | 1,207.3 | 2.8 | .2 | 1,211.7 | 7.8 | 1,203.9 |
| 1948..... | 2.3 | 1,066.0 | 3.6 | .1 | 1,072.0 | 6.1 | 1,065.9 |
| 1947..... | 4.6 | 1,022.5 | 3.6 | .1 | 1,030.8 | 24.7 | 1,006.1 |
| 1946..... | 7.3 | 1,047.7 | 5.6 | .1 | 1,060.7 | 2.2 | 1,058.5 |
| 1945..... | 15.7 | 900.0 | 15.1 | .3 | 931.1 | 1.9 | 929.2 |
| 1944..... | 17.8 | 762.0 | 26.1 | .3 | 806.2 | 1.9 | 804.3 |
| 1943..... | 20.0 | 638.8 | 46.2 | .5 | 705.5 | 2.4 | 703.1 |
| 1942..... | 19.4 | 536.8 | 62.0 | .5 | 618.7 | 1.8 | 616.9 |
| 1941..... | 20.0 | 453.9 | 81.7 | .1 | 555.7 | 2.2 | 553.5 |
| 1940..... | 20.4 | 384.5 | 92.2 | .1 | 497.2 | 1.2 | 496.0 |
| 1939..... | 28.3 | 363.5 | 64.2 | .1 | 456.1 | 3.4 | 452.7 |
| 1938..... | 22.2 | 372.8 | 26.5 | .1 | 421.6 | 1.1 | 420.5 |
| 1937..... | 20.6 | 348.5 | 16.1 | .1 | 385.3 | 2.2 | 383.1 |
| 1936..... | 9.1 | 332.6 | 11.4 | .1 | 353.2 | 9.8 | 343.4 |
| 1935..... | 33.5 | 298.2 | 5.4 | .1 | 337.2 | 31.2 | 306.0 |
| 1934..... | 16.0 | 316.7 | .5 | .1 | 333.3 | 41.6 | 291.7 |

¹ Designated capital and surplus in previous Annual Reports of the Corporation.**Table 15. STATEMENT OF CONDITION OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1950**

ASSETS

| | |
|--|---------------------------|
| Cash..... | \$ 2,453,915.38 |
| U. S. Government obligations and accrued interest receivable..... | 1,309,458,494.05 |
| Assets acquired through bank suspensions and absorptions—net (See Table 16)..... | 2,315,218.24 |
| Furniture, fixtures, and equipment..... | 1.00 |
| Miscellaneous accounts receivable and deferred charges..... | 117,112.90 |
| Total assets..... | \$1,314,344,741.57 |

LIABILITIES

| | |
|---|-------------------------|
| Net assessment income credited to insured banks..... | \$ 68,706,890.72 |
| Accounts payable and other assessment credits..... | 495,411.13 |
| Accrued annual leave of employees..... | 903,958.46 |
| Earnest money deposits and collections in suspense..... | 236,455.70 |
| Deferred credits..... | 37,325.52 |
| Depositors' claims pending settlement..... | 17,670.65 |
| Total liabilities..... | \$ 70,397,712.18 |

SURPLUS¹

| | |
|---|---------------------------|
| Deposit insurance fund..... | \$1,243,947,029.39 |
| Total liabilities and surplus..... | \$1,314,344,741.57 |

¹ Capital stock issued to the United States in the amount of \$150,000,000.00 and to the Federal Reserve banks in the amount of \$139,299,556.99, has been retired by payments to the United States Treasury in accordance with the provisions of Public Laws 363 and 813. These laws were initiated and recommended by the Board of Directors of the Federal Deposit Insurance Corporation and approved August 5, 1947, and June 29, 1948, respectively.

The Federal Deposit Insurance Act, approved September 21, 1950, provided for the payment to the U. S. Treasury of interest on capital stock while it was outstanding at the rate of two percent per annum. The first instalment payment of \$40,281,155.89 was made on December 30, 1950. Since the second and final instalment in the same amount will not become payable until after December 31, 1950, it has not been reflected in this statement.

Table 16. ASSETS ACQUIRED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION THROUGH BANK SUSPENSIONS AND ABSORPTIONS FROM BEGINNING OF OPERATIONS TO DECEMBER 31, 1950

(In thousands)

| | Total | Assets acquired from liquidators ¹ | Assets acquired from insured banks in difficulties | | | | |
|---|------------------|---|--|--|--------------------|---|-------------------------------------|
| | | | Total | Receivership cases: subrogated claims ² | Absorption cases | | |
| | | | | | Loans ³ | Assets purchased under agreement ⁴ | Other assets purchased ⁵ |
| Disbursements—total... | \$319,330 | \$1,552 | \$317,778 | \$87,061 | \$132,717 | \$96,613 | \$1,387 |
| Original disbursement... | 274,678 | 1,475 | 273,203 | 87,044 | 100,292 | 84,517 | 1,350 |
| Depositors' claims pending settlement..... | 17 | ..... | 17 | 17 | ..... | ..... | ..... |
| Subsequent expenses for protection of assets... | 31,970 | 77 | 31,893 | ..... | 24,745 | 7,111 | 37 |
| Field liquidation expenses..... | 12,665 | ..... | 12,665 | ..... | 7,680 | 4,985 | ..... |
| Collections⁶..... | 290,599 | 1,898 | 288,701 | 72,492 | 126,927 | 88,383 | 899 |
| Uncollected balance.... | 28,731 | 3,467 | 29,077 | 14,569 | 5,790 | 8,230 | 488 |
| Losses—estimated net total..... | 26,416 | 597⁸ | 27,013 | 14,399 | 5,790 | 6,345 | 479 |
| Losses incurred less realized profits..... | 16,993 | 597 ⁸ | 17,590 | 9,999 | 5,790 | 1,322 | 479 |
| Reserve for losses..... | 9,423 | ..... | 9,423 | 4,400 | ..... | 5,023 | ..... |
| Net book value of remaining assets..... | 2,315 | 251 | 2,064 | 170 | ..... | 1,885 | 9 |

¹ Assets purchased outright from liquidating officers in receivership and absorption cases in order to facilitate the termination of the liquidations.

² Subrogated claims represent the amounts of insured deposits in closed banks paid to depositors for which amounts the depositors transferred their claims against the bank receiverships to the Federal Deposit Insurance Corporation.

³ Loans to absorbed insured banks are supported by collateral and are evidenced by demand notes bearing interest at the rate of 4 percent per annum. Recoveries in excess of Corporation disbursements and interest allowances are returned to stockholders of closed banks.

⁴ Assets purchased under agreements with absorbed insured banks are evidenced by purchase agreements allowing an interest return of 4 percent per annum on Corporation advances. Any excess recoveries are returned to the stockholders of the selling bank in the form of an additional cash purchase price.

⁵ Assets purchased from absorbed insured banks without refund agreements.

⁶ Does not include operating income from the assets held by the Corporation, nor interest earned or allowance return on loans and assets purchased to protect depositors.

⁷ Collections in excess of disbursements.

⁸ Net profit.

Total liabilities of the Corporation increased from \$8 million on December 31, 1949, to \$70 million on December 30, 1950. This increase was caused by a new account appearing on the balance sheet for the first time; namely, net assessment income credited to insured banks. This account constitutes nearly 98 percent of total liabilities.

Pursuant to Public Laws 363 and 813, 80th Congress, approved August 5, 1947, and June 29, 1948, respectively, the Corporation retired all of the capital stock originally issued to the United States Treasury and the Federal Reserve banks. Retirement was completed on August 30, 1948. In addition, the first instalment of interest for the use of this capital was made on December 30, 1950, in compliance with provisions of the Federal Deposit Insurance Act of September 21, 1950. The second

and final interest instalment of \$40 million is to be paid prior to July 1, 1951.

At the end of 1950 the deposit insurance fund was equivalent to approximately $\frac{3}{4}$ of 1 percent of all deposits and about 1- $\frac{1}{3}$ percent of insured deposits. Both of these percentages are smaller than the corresponding figures at the beginning of the year because deposits in insured banks increased by 7 percent, while the deposit insurance fund increased by only 3 percent. The ratio of the fund to insured deposits was also made smaller by the increase in insurance coverage from \$5,000 to \$10,000 for each depositor. Table 17 shows the total deposits, the estimated insured deposits, and the ratios of the deposit insurance fund to deposits, at the end of each year since beginning operations.

Table 17. RELATION OF THE DEPOSIT INSURANCE FUND TO THE DEPOSITS OF INSURED BANKS

| Dec. 31 | Deposit insurance fund (in millions) | Deposits in insured banks (in millions) | | Ratio of deposit insurance fund to— | |
|------------|--------------------------------------|---|----------------------|-------------------------------------|------------------|
| | | Total | Insured ¹ | Total deposits | Insured deposits |
| 1950 | \$1,243.9 | \$167,818 | \$93,498 | .74% | 1.33% |
| 1949 | 1,203.9 | 156,786 | 76,589 | .77 | 1.57 |
| 1948 | 1,065.9 | 153,454 | 75,320 | .69 | 1.42 |
| 1947 | 1,006.1 | 154,096 | 76,254 | .65 | 1.32 |
| 1946 | 1,058.5 | 148,457 | 73,759 | .71 | 1.44 |
| 1945 | 929.2 | 152,174 | 67,021 | .59 | 1.39 |
| 1944 | 804.3 | 134,662 | 56,398 | .60 | 1.43 |
| 1943 | 703.1 | 111,650 | 48,440 | .63 | 1.45 |
| 1942 | 616.9 | 89,869 | 32,837 | .69 | 1.88 |
| 1941 | 553.5 | 71,209 | 28,249 | .78 | 1.96 |
| 1940 | 496.0 | 65,288 | 26,638 | .76 | 1.86 |
| 1939 | 452.7 | 57,485 | 24,650 | .79 | 1.84 |
| 1938 | 420.5 | 50,791 | 23,121 | .83 | 1.82 |
| 1937 | 383.1 | 48,223 | 22,557 | .79 | 1.70 |
| 1936 | 343.4 | 50,281 | 22,330 | .68 | 1.54 |
| 1935 | 306.0 | 45,125 | 20,158 | .68 | 1.52 |
| 1934 | 291.7 | 40,060 | 18,075 | .73 | 1.61 |

¹ Estimated. For method, see Annual Report of the Corporation for 1949, page 61.

Audit. The audit of the Corporation for the year ended June 30, 1950, was made by the Comptroller General of the United States. The short form of the audit report has been furnished to the Corporation by the Comptroller General and is given in Table 18. The auditor's opinion is shown on page 32.

Table 18. FINANCIAL STATEMENTS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION—FROM AUDITORS' REPORT FOR YEAR ENDED JUNE 30, 1950**Exhibit 1—BALANCE SHEET—JUNE 30, 1950**

ASSETS

| | | |
|---|-----------------|-----------------|
| Cash..... | | \$ 1,383,883 |
| United States Government securities, at cost—market value, \$1,277,011,127..... | \$1,275,789,500 | |
| Accrued interest receivable..... | 2,526,941 | 1,278,316,441 |
| Assets acquired through mergers and receiverships of insured banks: | | |
| Subrogated claims of depositors against banks in receivership (including \$21,449 of pending and unpaid claims) (note 1)... | 4,875,724 | |
| Equity in collateral assets (notes 2 and 4): | | |
| Under loan agreements..... | 2,420,661 | |
| Under asset purchase agreements..... | 6,848,358 | |
| | 14,144,743 | |
| Less estimate for losses and expenses..... | 11,873,733 | |
| | 2,271,010 | |
| Assets purchased outright (note 3)..... | 108,473 | 2,379,483 |
| Deferred charges and sundry assets..... | | 136,749 |
| Furniture, fixtures, and equipment, at nominal value..... | | 1 |
| | | \$1,282,216,557 |

LIABILITIES

| | | |
|--|--|-----------------|
| Accounts payable and accrued liabilities..... | | \$ 472,805 |
| Earnest money, escrow funds, and collections held for others..... | | 250,325 |
| Depositors' claims pending settlement..... | | 21,449 |
| Employees' accrued annual leave..... | | 1,002,332 |
| Deferred credits (note 4)..... | | 3,093,707 |
| Deposit insurance reserve, representing accumulated income from inception to June 30, 1950, available for future losses and related expenses (notes 5, 6, and 7, and exhibit 2)..... | | 1,277,375,939 |
| | | \$1,282,216,557 |

The notes following exhibit 2 are an integral part of this statement.

Exhibit 2—STATEMENT ON INCOME AND DEPOSIT INSURANCE RESERVE FOR THE YEAR ENDED JUNE 30, 1950

| | | |
|---|--------------|-----------------|
| Deposit insurance assessments..... | | \$ 120,561,822 |
| Interest on United States Government securities..... | | 26,526,563 |
| Income from bank mergers and receiverships: | | |
| Interest and allowable return (note 4)..... | \$ 2,286,966 | |
| Other..... | 13,171 | |
| | 2,300,137 | |
| Less estimated loss on merger cases acquired during the year... | 590,000 | 1,710,137 |
| | | 148,798,522 |
| Administrative and operating expenses..... | | 6,435,869 |
| Net income for year transferred to deposit insurance reserve..... | | 142,362,653 |
| Deposit insurance reserve, June 30, 1949..... | | 1,135,003,216 |
| Net adjustment of prior years' estimate of losses and expenses restored to reserve..... | | 10,070 |
| Deposit insurance reserve, June 30, 1950 (notes 5, 6, and 7 and exhibit 1)..... | | \$1,277,375,939 |

Notes 4, 5, 6, 7, and 8 on the following page are an integral part of this statement.

Table 18. FINANCIAL STATEMENTS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION—FROM AUDITORS' REPORT FOR YEAR ENDED JUNE 30, 1950—Continued

NOTES TO THE FINANCIAL STATEMENTS—JUNE 30, 1950

1. Subrogated claims represent the amounts paid to depositors on insured deposits for which the depositors had transferred to FDIC their claims against banks in receivership. The balance of subrogated claims at June 30, 1950, represents claims paid and uncollected on six receiverships not terminated at that date. Any recoveries made on these claims are in the nature of liquidating dividends paid by the receiverships from funds realized in disposition of bank assets.

2. Loans to merged insured banks are supported by collateral and are evidenced by demand notes bearing interest at the rate of 4 percent per annum on the principal and any subsequent amounts expended by the Corporation. Under this arrangement, notes are dishonored immediately by the closed banks and the Corporation acquires and proceeds to liquidate the collateral assets until it has collected the principal and any subsequent amounts expended plus interest. Any excess recoveries and residual unliquidated assets are returned to the stockholders of the closed banks involved.

Assets purchased under agreements with merged insured banks are evidenced by purchase agreements allowing a return at the rate of 4 percent per annum on the principal purchase price and any subsequent amounts expended by the Corporation. Under this arrangement the Corporation acquires title to the assets which it liquidates, returning any excess recoveries to the stockholders of the closed banks involved.

3. Assets purchased outright represent collateral assets which have been purchased by the Corporation from receivership and merger cases in order to facilitate the termination of the liquidations. These assets are the absolute property of the Corporation and are not subject to any agreements with the closed banks from which the assets were originally obtained.

4. The Corporation follows the practice of taking into income only such amounts of interest or allowable return as are realized after recovery in full of its investments (including recoverable expenses) in the respective loan and assets-purchased-under-agreement cases when they are closed. Deferred credits at June 30, 1950, include interest of \$3,063,736 and allowable return of \$5,967, a total of \$3,069,703, representing recoveries in excess of the Corporation's total investment on four of the merger cases not yet closed at that date.

5. The Corporation may borrow from the Treasury such funds as in the judgment of the board of directors of the Corporation are required from time to time for insurance purposes, not exceeding, in the aggregate, three billion dollars outstanding at any time. The Corporation has never used this borrowing power.

6. The original capital investment of the Corporation amounting to \$289,299,557 consisted of non-dividend-bearing capital stock which was purchased by the United States Treasury and the Federal Reserve banks. In accordance with the act of August 5, 1947 (12 U.S.C. 264 supp.), the Corporation retired this stock by making payments totaling \$289,299,557 to the Secretary of the Treasury. Final payment was made on August 30, 1948. No interest or dividends were ever paid by the Corporation on the Government's investment. However, the Federal Deposit Insurance Act, approved September 21, 1950, provides that, "Prior to July 1, 1951, the Corporation shall pay out of its capital account to the Secretary of the Treasury an amount equal to 2 per centum simple interest per annum on amounts advanced to the Corporation on stock subscriptions by the Secretary of the Treasury and the Federal Reserve banks, from the time of such advances until the amounts thereof were repaid. The amount payable hereunder shall be paid in two equal installments, the first installment to be paid prior to December 31, 1950." The total interest amounts to \$80,562,312. The first installment was paid on December 30, 1950.

7. Section 7(d) of the Federal Deposit Insurance Act provides that as of December 31, 1950, and December 31 of each calendar year thereafter, the Corporation shall credit pro rata to the insured banks 60 percent of the net assessment income (as defined in the act) for the calendar year, such credit to be applied toward the payment of assessments becoming due for the semiannual period beginning the next ensuing July 1, and any excess credit applied to the assessment of the following period.

At June 30, 1950, the part of the net income for the first half of the calendar year 1950, included in the deposit insurance reserve, to be used in computing the assessment credit as of December 31, 1950, was not determinable.

8. Under existing law the Corporation is not required to bear the Government's share of the cost of furnishing retirement, disability, and compensation benefits to the Corporation's employees. These costs are estimated to be approximately \$260,000 for the fiscal year 1950.

COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON 25

February 21, 1951

Board of Directors,
Federal Deposit Insurance Corporation,
Washington 25, D.C.

Gentlemen:

An audit of the affairs of Federal Deposit Insurance Corporation for the fiscal year ended June 30, 1950, has been made by the General Accounting Office in accordance with provisions of section 17(b) of the Federal Deposit Insurance Act, approved September 21, 1950.

There is transmitted herewith a short form report including statements of financial position and operations, together with explanatory notes and auditors' opinion, all of which will be included in the detailed report to be submitted by the Comptroller General to the Congress.

Very truly yours,
E. L. FISHER
Acting Comptroller General
of the United States

AUDITORS' OPINION

We have examined the balance sheet of Federal Deposit Insurance Corporation as of June 30, 1950, and the related statement of income and deposit insurance reserve for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances and appropriate in view of the effectiveness of the system of internal control, including the work performed by the Corporation's internal auditors.

In our opinion, the accompanying balance sheet and statement of income and deposit insurance reserve present fairly the financial position of Federal Deposit Insurance Corporation at June 30, 1950, and the results of its operations for the year then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year and with applicable Federal laws.

During our examination we observed no program, expenditure, or other financial transaction or undertaking which, in our opinion, was carried on or made without authority of law.

STEPHEN B. IVES
Director
Corporation Audits Division
General Accounting Office

PART TWO
BANKING DEVELOPMENTS

ASSETS, LIABILITIES, AND CAPITAL ACCOUNTS

The most striking economic developments of 1950 were the recovery from the moderate business recession of 1949 and the sharp rise in prices during the second half of the year. The outbreak of the Korean war created an intensified demand for goods both on the part of industry and private consumers. The scare buying which followed set the stage for a rapid expansion of bank loans and deposits toward the end of the year. By the year-end total assets of all banks in the United States and possessions were \$192 billion, deposits and other liabilities \$178 billion, and capital accounts \$14 billion. These amounts were respectively 7, 7, and 6 percent larger than at the beginning of the year. The amount and percentage distribution of bank assets, liabilities, and capital accounts at the close of 1950, 1949, and 1945 are presented in Table 19.

Table 19. ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER, 1950, 1949, AND 1945

| Asset, liability, or capital account item | Amount (in millions) | | | Percentage distribution | | |
|--|----------------------|------------------|------------------|-------------------------|---------------|---------------|
| | Dec. 30, 1950 | Dec. 31, 1949 | Dec. 31, 1945 | Dec. 30, 1950 | Dec. 31, 1949 | Dec. 31, 1945 |
| Total assets | \$192,241 | \$180,043 | \$178,203 | 100.0% | 100.0% | 100.0% |
| Cash and funds due from banks | 41,236 | 36,676 | 35,585 | 21.4 | 20.4 | 20.0 |
| United States Government obligations | 73,188 | 78,754 | 101,822 | 38.1 | 43.7 | 57.1 |
| Obligations of States and subdivisions | 8,249 | 6,657 | 4,064 | 4.3 | 3.7 | 2.3 |
| Other securities | 6,568 | 6,025 | 4,531 | 3.4 | 3.3 | 2.5 |
| Loans and discounts—net | 60,711 | 49,823 | 30,473 | 31.6 | 27.7 | 17.1 |
| Miscellaneous assets | 2,289 | 2,103 | 1,728 | 1.2 | 1.2 | 1.0 |
| Total liabilities and capital accounts | \$192,241 | \$180,043 | \$178,203 | 100.0% | 100.0% | 100.0% |
| Total deposits | 176,120 | 165,244 | 166,474 | 91.6 | 91.8 | 93.4 |
| Miscellaneous liabilities | 2,205 | 1,633 | 1,203 | 1.2 | .9 | .7 |
| Total capital accounts | 13,916 | 13,166 | 10,526 | 7.2 | 7.3 | 5.9 |
| Number of banks ¹ | 14,693 | 14,736 | 14,725 | | | |

¹ Asset and liability data were not available for 27 banks on December 30, 1950, 31 banks on December 31, 1949, and 104 banks on December 31, 1945.

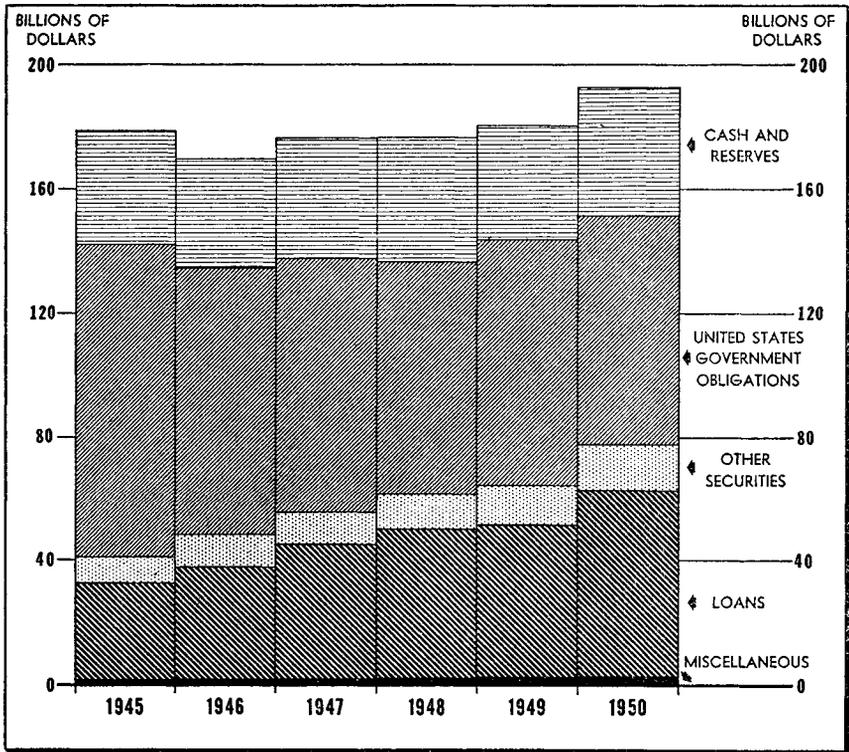
Detailed data for 1950: See Table 105, pp 232-33.

ASSETS

Significant changes in the distribution of assets held by all banks in the United States and possessions occurred during the period 1945 through 1950. During this time bank holdings of United States Government obligations decreased \$29 billion, investments in municipal and other securities increased \$6 billion, and loans rose \$30 billion. Over the 5-year period the growth in bank loans amounted to 99 percent, while the decline in bank holdings of United States Government obligations was 28 percent. The amount and distribution of assets held by all banks in the United States and possessions from 1945 to 1950 are shown in Chart C.

United States Government obligations constituted only 38 percent of total bank assets on December 30, 1950, contrasted with 57 percent on December 31, 1945. Loans, on the other hand, increased from 17 percent of the total assets in 1945 to 32 percent of the total in 1950.

Chart C. ASSETS OF ALL BANKS, UNITED STATES AND POSSESSIONS, DECEMBER 31, 1945-1950



Investment in securities. On December 31, 1945, total investments in securities held by all banks in the United States and possessions amounted to \$110 billion. By the end of 1950 the banks held only \$88 billion in securities, a decline of 20 percent. However, as shown in Table 19, this decline is the result of divergent trends. Bank holdings of United States Government obligations declined over a fourth from 1945 to 1950, investments in obligations of States and subdivisions doubled, and holdings of other securities increased almost one-half.

United States Government obligations held by insured commercial banks declined \$5 billion in 1950. The principal changes in such holdings were an increase of \$11 billion in notes, a decrease of over \$10 billion in certificates, and a decline of about \$6 billion in bonds. These changes

largely reflected Treasury financing activities. The Treasury offered notes in exchange for most of the bonds, notes, and certificates maturing or called in 1950.

The amount and percentage distribution by type and maturity of United States Government obligations held by insured commercial banks during the period 1941 to 1950 are given in Table 20.

Table 20. MATURITIES OF UNITED STATES GOVERNMENT OBLIGATIONS HELD BY INSURED COMMERCIAL BANKS, DECEMBER, 1941-1950

| Dec. 31 | Total | Marketable issues | | | | | | | Guar- anteed issues | Non- mar- ketable issues ⁴ |
|--------------------------------|----------|--------------------|--------------------------------|--------------------|--------------------------------|------------------|-------------------|------------------|---------------------------|--|
| | | Direct | | | | | | | | |
| | | Bills ¹ | Certifi- cates ¹ | Notes ¹ | Bonds maturing in ² | | | | | |
| | | | | | 5 years or less | 5 to 10 years | 10 to 20 years | Over 20 years | | |
| Amount (in millions) | | | | | | | | | | |
| 1950 | \$61,047 | \$4,122 | \$ 1,937 | \$16,774 | \$22,594 | \$ 7,737 | \$2,987 | \$2,554 | \$ 11 | \$2,331 |
| 1949 | 65,847 | 3,692 | 12,488 | 5,812 | 27,278 | 7,692 | 4,461 | 2,409 | 6 | 2,009 |
| 1948 | 61,407 | 2,822 | 10,068 | 3,395 | 19,374 | 15,114 | 6,581 | 2,059 | 8 | 1,986 |
| 1947 | 67,960 | 2,124 | 7,555 | 5,920 | 18,341 | 22,202 | 7,534 | 2,654 | 14 | 1,616 |
| 1946 | 73,575 | 1,272 | 12,293 | 6,781 | 12,728 | 29,700 | 6,597 | 3,008 | 15 | 1,181 |
| 1945 | 88,933 | 2,456 | 19,075 | 16,047 | 9,030 | 32,230 | 6,092 | 2,787 | 22 | 1,194 |
| 1944 | 75,896 | 3,972 | 15,303 | 15,781 | 5,918 | 25,467 | 5,796 | 1,917 | 978 | 764 |
| 1943 | 58,693 | 4,637 | 13,220 | 7,673 | 5,790 | 16,776 | 6,160 | 1,620 | 2,501 | 316 |
| 1942 | 40,712 | 4,462 | 6,729 | 5,800 | 2,865 | 10,047 | 6,470 | 1,337 | 2,718 | 284 |
| 1941 | 21,047 | 988 | ..... | 3,159 | 1,551 | 3,970 | 5,930 | 1,347 | 4,102 | (⁵) |
| Percentage distribution | | | | | | | | | | |
| 1950 | 100.0% | 6.7% | 3.2% | 27.5% | 37.0% | 12.7% | 4.9% | 4.2% | (⁵) | 3.8% |
| 1949 | 100.0 | 5.6 | 19.0 | 8.8 | 41.4 | 11.7 | 6.8 | 3.6 | (⁵) | 3.1 |
| 1948 | 100.0 | 4.6 | 16.4 | 5.5 | 31.6 | 24.6 | 10.7 | 3.4 | (⁵) | 3.2 |
| 1947 | 100.0 | 3.1 | 11.1 | 8.7 | 27.0 | 32.7 | 11.1 | 3.9 | (⁵) | 2.4 |
| 1946 | 100.0 | 1.7 | 16.7 | 9.2 | 17.3 | 40.4 | 9.0 | 4.1 | (⁵) | 1.6 |
| 1945 | 100.0 | 2.8 | 21.5 | 18.0 | 10.2 | 36.2 | 6.9 | 3.1 | (⁵) | 1.3 |
| 1944 | 100.0 | 5.2 | 20.2 | 20.8 | 7.8 | 33.6 | 7.6 | 2.5 | 1.3 | 1.0 |
| 1943 | 100.0 | 7.9 | 22.5 | 13.0 | 9.9 | 28.6 | 10.5 | 2.8 | 4.3 | .5 |
| 1942 | 100.0 | 11.0 | 16.5 | 14.2 | 7.0 | 24.7 | 15.9 | 3.3 | 6.7 | .7 |
| 1941 | 100.0 | 4.7 | ..... | 15.0 | 7.4 | 18.8 | 28.2 | 6.4 | 19.5 | (⁵) |

¹ Treasury bills are generally issued with maturities of 91 days; certificates of indebtedness have maturities of approximately one year; and Treasury notes are issued with maturities of from one to five years.

² Based upon number of years to final maturity.

³ United States savings bonds, Treasury bonds (investment series A-1965), and depository bonds. Prior to December 31, 1947, this item included United States savings bonds only; depository bonds were included with other United States bonds according to maturity.

⁴ Non-marketable issues were not reported separately on December 31, 1941.

⁵ Less than 0.05 percent.

Loans. Total loans and discounts of all banks in the United States and possessions expanded \$11 billion or 22 percent during 1950. Almost half of this increase was in commercial and industrial loans; real estate loans advanced nearly \$4 billion and other loans to individuals \$2 billion. Nominal increases were recorded in all other loan categories except agricultural loans, which were slightly lower at the year-end.

Chart D shows that the volume of bank loans more than doubled from 1945 to 1950 in all but 9 of the 48 States. The lowest rate of growth,

58 percent, was recorded by the State of New York, while the highest rate of growth, 267 percent, was registered by North Dakota. In general, the percentage expansion of loans was lowest in the Eastern half of the United States and highest in the Western half.

Chart D. PERCENTAGE INCREASE OF TOTAL LOANS IN ALL BANKS, DECEMBER 31, 1945-1950

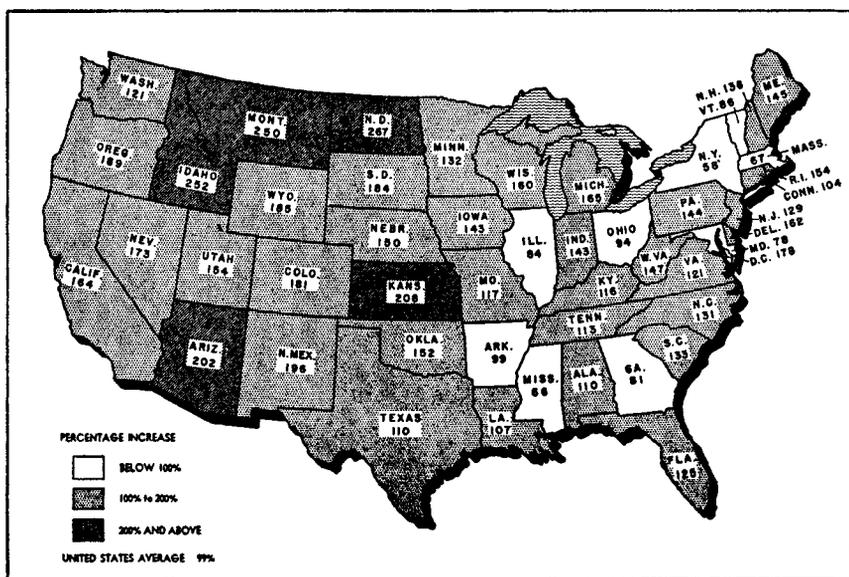


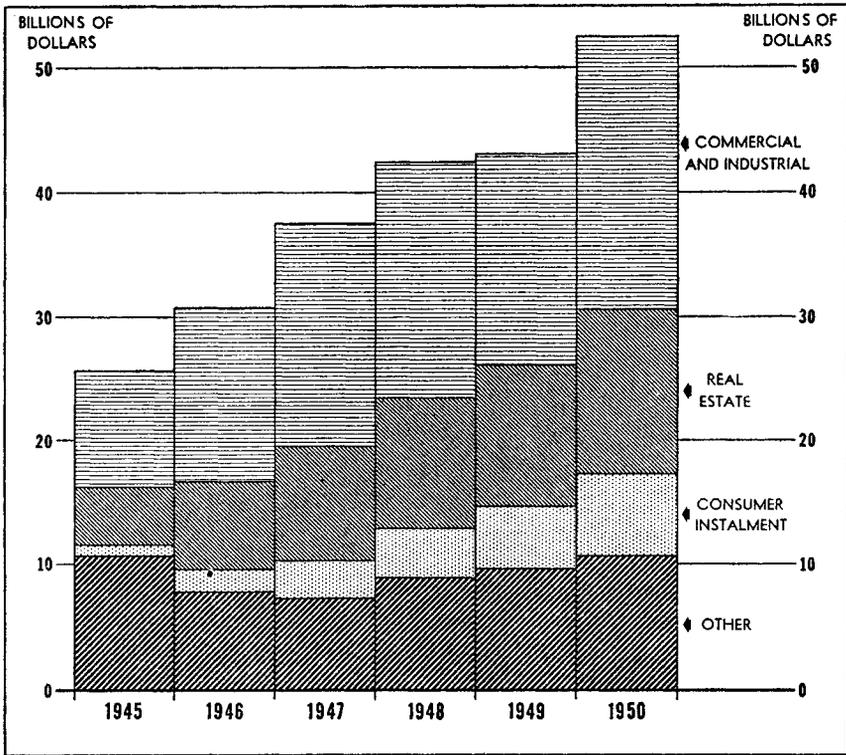
Table 21. PRINCIPAL TYPES OF LOANS OF ALL BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER, 1945-1950

| Dec. 31 | All loans, gross ¹ | Commercial and industrial | Agricultural (excluding real estate) | Real estate | For carrying securities | Other loans to individuals | All other |
|--------------------------------|-------------------------------|---------------------------|--------------------------------------|-------------|-------------------------|----------------------------|-----------|
| Amount (in millions) | | | | | | | |
| 1950 | \$61,638 | \$22,068 | \$2,926 | \$21,925 | \$2,882 | \$10,243 | \$1,594 |
| 1949 | 50,615 | 17,195 | 3,075 | 18,350 | 2,658 | 8,159 | 1,178 |
| 1948 | 49,090 | 19,055 | 2,893 | 16,703 | 2,332 | 6,960 | 1,147 |
| 1947 | 43,231 | 18,295 | 1,678 | 14,302 | 2,075 | 5,791 | 1,090 |
| 1946 | 35,823 | 14,237 | 1,412 | 11,675 | 3,164 | 4,109 | 1,226 |
| 1945 | 30,467 | 9,600 | 1,361 | 8,980 | 6,827 | 2,419 | 1,280 |
| Percentage distribution | | | | | | | |
| 1950 | 100.0% | 35.8% | 4.7% | 35.6% | 4.7% | 16.6% | 2.6% |
| 1949 | 100.0 | 34.0 | 6.1 | 36.3 | 5.2 | 16.1 | 2.3 |
| 1948 | 100.0 | 38.8 | 5.9 | 34.0 | 4.8 | 14.2 | 2.3 |
| 1947 | 100.0 | 42.3 | 3.9 | 33.1 | 4.8 | 13.4 | 2.5 |
| 1946 | 100.0 | 39.8 | 3.9 | 32.6 | 3.8 | 11.5 | 3.4 |
| 1945 | 100.0 | 31.5 | 4.5 | 29.5 | 22.4 | 7.9 | 4.2 |

¹ Gross loans include valuation reserves, which are excluded from net loans in Table 19.
Detailed data for 1950: See Table 105, p. 232.

Marked changes in the composition of bank loans have occurred since 1945. Between 1945 and 1950 real estate loans advanced from 30 to 36 percent of all loans; other loans to individuals, which include personal instalment loans, increased from 8 to 17 percent; commercial and industrial loans rose from 32 to 36 percent of the total, while loans made for the purpose of purchasing or carrying securities declined from 22 percent to 5 percent of total loans. The distribution of loans of all banks by principal type of loan at the close of each year since 1945 is given in Table 21. A similar breakdown of the volume and distribution of loans made by insured commercial banks only is illustrated in Chart E.

**Chart E. AMOUNT AND TYPE OF LOANS,
INSURED COMMERCIAL BANKS, DECEMBER 31, 1945-1950**



Examiners' appraisal of assets, insured commercial banks. Both the amount and proportion of assets classified as substandard by examiners of insured commercial banks were lower in 1950 than in any year since 1939, except for 1945 and 1946. For banks examined in 1950 the ratio of substandard assets to appraised value of total assets was 0.45 percent, compared with 0.51 percent in 1949, 0.36 percent in 1946,

and 5.12 percent in 1939. Loans comprised about two-thirds and securities other than United States Government obligations almost one-third of all assets regarded as substandard. At the end of 1950, 0.99 percent of the appraised value of loans was classified substandard, and substandard securities amounted to 1.90 percent of the appraised value of all securities other than United States Government obligations. These proportions of substandard loans and securities were the lowest for which comparable data are available. Amounts and percentages of assets classified as substandard from 1939 to 1950 are given in Table 22.

Table 22. SUBSTANDARD ASSETS OF INSURED COMMERCIAL BANKS, EXAMINATIONS, 1939-1950

| Year | Substandard assets | | | Substandard loans | | Substandard securities ¹ | | Substandard fixed and miscellaneous assets | |
|-----------|-----------------------------------|---------------|------------------------|----------------------|---------------------------|-------------------------------------|--------------------------------------|--|--|
| | Amount (in millions) ² | Percentage of | | Amount (in millions) | Percentage of total loans | Amount (in millions) | Percentage of total other securities | Amount (in millions) | Percentage of total fixed and miscellaneous assets |
| | | Total assets | Total capital accounts | | | | | | |
| 1950..... | \$ 689 | .45% | 6.35% | \$ 445 | .99% | \$ 202 | 1.90% | \$ 42 | 1.47% |
| 1949..... | 762 | .51 | 7.32 | 515 | 1.26 | 200 | 2.22 | 47 | 1.65 |
| 1948..... | 788 | .53 | 8.00 | 533 | 1.35 | 211 | 2.51 | 44 | 1.51 |
| 1947..... | 696 | .48 | 7.42 | 422 | 1.28 | 231 | 2.92 | 44 | 1.67 |
| 1946..... | 526 | .36 | 6.02 | (³) | (³) | (³) | (³) | (³) | (³) |
| 1945..... | 619 | .45 | 7.58 | 263 | 1.23 | 259 | 4.17 | 97 | 4.07 |
| 1944..... | 825 | .69 | 10.92 | 359 | 1.84 | 302 | 5.20 | 164 | 7.02 |
| 1943..... | 1,260 | 1.24 | 17.84 | 541 | 2.96 | 462 | 7.65 | 257 | 11.45 |
| 1942..... | 1,714 | 2.13 | 25.26 | 768 | 3.83 | 617 | 9.28 | 329 | 15.13 |
| 1941..... | 2,031 | 2.84 | 31.12 | 849 | 4.36 | 753 | ..... | 429 | 19.10 |
| 1940..... | 2,552 | 3.93 | 40.35 | 1,054 | 6.23 | 1,039 | ..... | 460 | 22.60 |
| 1939..... | 2,970 | 5.12 | 48.21 | 1,229 | 7.73 | 1,207 | ..... | 535 | 24.55 |

¹ Amounts and percentages both refer to securities other than U. S. Government obligations. Prior to 1942 no segregation was made between U. S. Government obligations and other securities.

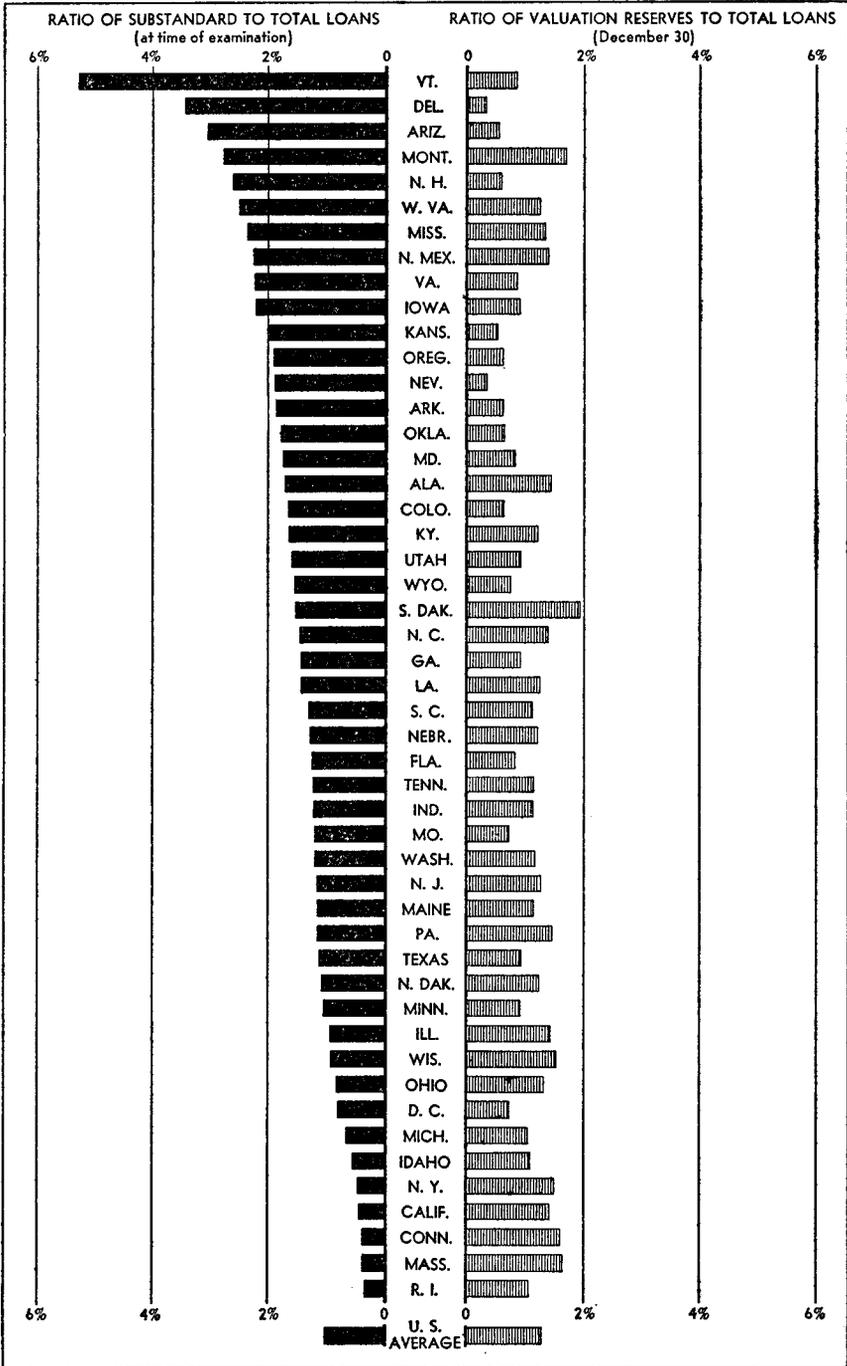
² Components do not necessarily add to the total because of rounding.

³ Data not available separately.

Detailed data for 1941-1950: see Table 108, p. 242.

While the over-all proportion of loans classified as substandard is at a historically low level, the amount and percentage of such loans present potential problems in individual banks. There are wide geographical variations in the proportion of loans which are classified as substandard, ranging from a low of 0.36 percent in Rhode Island to 5.27 percent in Vermont. Banks in all the States have made provision in varying degree for possible losses on loans by setting up valuation reserves. The total amount of these reserves is greater than the total amount of substandard loans, but the valuation reserves are not held by the banks which appear to need them most. A comparison of the ratios of substandard loans and of valuation reserves to total loans, by State, is given in Chart F.

Chart F. RATIOS OF SUBSTANDARD LOANS AND VALUATION RESERVES TO TOTAL LOANS, INSURED COMMERCIAL BANKS, 1950



The low percentage of assets of substandard quality held by the insured commercial banks of our Nation is primarily a reflection of business prosperity. Many of those assets formerly classified as substandard have since worked out satisfactorily. At the same time it is likely that many of the bank assets which appear to be sound today may actually possess inherent weaknesses not easily recognizable in a boom period.

LIABILITIES

About 99 percent of all bank liabilities, exclusive of capital accounts, consists of deposits. Miscellaneous liabilities other than deposits amounted to only \$2 billion on December 30, 1950, compared with total deposits for all banks of \$176 billion.

Deposits. Total deposits of all banks in the United States and possessions increased by nearly \$11 billion, or 7 percent, during 1950. All of this increase occurred after the outbreak of the Korean fighting and the subsequent intensification of industrial and business activity. The most significant changes occurred in the demand and time deposit accounts of individuals and businesses. Demand deposits of businesses and individuals rose \$8 billion during the year while time deposits increased by less than \$1 billion. All of the increase in time deposits occurred during the first half of the year. The amount and type of deposits of all banks in the United States and possessions from 1945 to 1950 are given in Table 23.

Table 23. DEPOSITS OF ALL BANKS IN THE UNITED STATES AND POSSESSIONS, BY TYPE OF DEPOSIT, JUNE AND DECEMBER, 1945-1950

(In millions)

| Call dates | Total deposits | Business and personal | | | | States and subdivisions | U. S. Gov't. | Inter-bank ¹ |
|--------------------|----------------|-----------------------|----------|----------|------------------------|-------------------------|--------------|-------------------------|
| | | Total | Demand | Time | Certified checks, etc. | | | |
| Dec. 30, 1950..... | \$176,120 | \$149,455 | \$91,314 | \$55,203 | \$2,938 | \$9,546 | \$3,059 | \$14,060 |
| June 30, 1950..... | 164,555 | 139,642 | 81,924 | 55,541 | 2,177 | 9,580 | 3,875 | 11,458 |
| Dec. 31, 1949..... | 165,244 | 140,241 | 83,454 | 54,416 | 2,371 | 8,956 | 3,318 | 12,729 |
| June 30, 1949..... | 157,239 | 135,003 | 78,399 | 54,216 | 2,388 | 8,912 | 2,373 | 10,951 |
| Dec. 31, 1948..... | 162,041 | 138,674 | 83,167 | 53,355 | 2,152 | 8,561 | 2,515 | 12,291 |
| June 30, 1948..... | 157,177 | 134,961 | 79,723 | 53,181 | 2,057 | 8,511 | 2,249 | 11,456 |
| Dec. 31, 1947..... | 162,729 | 140,357 | 85,303 | 52,454 | 2,600 | 7,788 | 1,534 | 13,050 |
| June 30, 1947..... | 154,191 | 133,475 | 79,551 | 51,775 | 2,149 | 7,520 | 1,423 | 11,773 |
| Dec. 31, 1946..... | 156,753 | 133,956 | 81,276 | 50,284 | 2,396 | 6,895 | 3,164 | 12,733 |
| June 29, 1946..... | 159,990 | 127,469 | 76,693 | 48,423 | 2,353 | 6,619 | 13,515 | 12,387 |
| Dec. 31, 1945..... | 166,474 | 121,776 | 73,876 | 45,285 | 2,615 | 5,786 | 24,770 | 14,142 |
| June 30, 1945..... | 151,933 | 109,321 | 66,709 | 41,343 | 1,264 | 5,442 | 24,538 | 12,632 |

¹ Includes postal savings deposits; prior to Dec. 31, 1947, also includes a small amount of unclassified deposits.

The rapid expansion in demand deposits paralleled the growth in total loans and emphasized the sensitivity of demand deposits to changes in business activity. Time deposits, on the other hand, failed to follow the general upward trend; rather, they showed a net decrease during the last six months of the year. This was the first time in many years that these deposits were lower at the end of the year than at mid-year. This deviation from trend was probably caused by the heavy scare buying of durable goods on the part of both individuals and businesses following the outbreak of war. To finance these purchases savings accounts were drawn on and borrowings expanded.

CAPITAL

Total capital accounts of all insured commercial banks in the United States and possessions rose during 1950 to \$11.3 billion, an increase of \$0.6 billion. Each year since the Corporation was organized there has been an increase in total capital accounts of insured banks. However, the increase in capital has not kept pace with the increase in total assets and deposits.

Table 24 gives a summary of the capital accounts and capital ratios of all insured commercial banks in the United States and possessions from 1934 to 1950.

Table 24. CAPITAL ACCOUNTS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER, 1934-1950

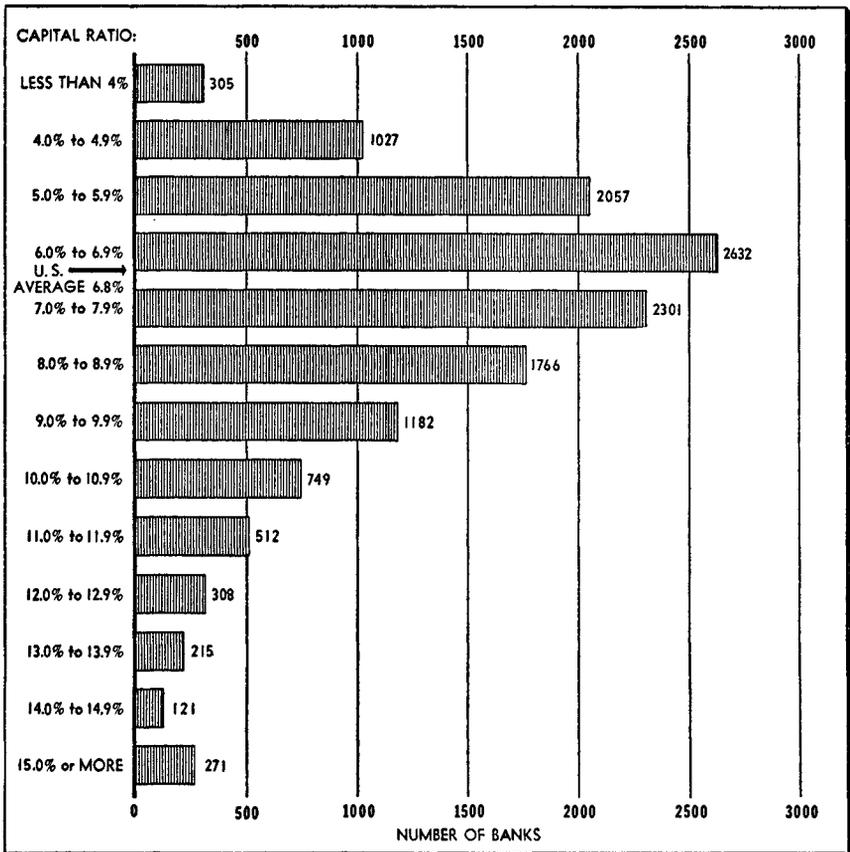
| Dec. 31 | Amount (in millions) | | | | | Ratio of total capital accounts to— | |
|------------|------------------------|--------------|--|---------|--------------------------------|-------------------------------------|--|
| | Total capital accounts | Common stock | Preferred stock, capital notes, and debentures | Surplus | Undivided profits and reserves | Total assets | Assets other than cash and U. S. Gov't obligations |
| 1950 | \$11,281 | \$3,437 | \$ 82 | \$5,200 | \$2,562 | 6.8% | 17.1% |
| 1949 | 10,649 | 3,305 | 91 | 4,803 | 2,450 | 6.9 | 19.6 |
| 1948 | 10,160 | 3,163 | 101 | 4,504 | 2,392 | 6.7 | 19.3 |
| 1947 | 9,736 | 3,079 | 116 | 4,316 | 2,225 | 6.4 | 20.3 |
| 1946 | 9,288 | 2,994 | 148 | 4,060 | 2,086 | 6.3 | 23.2 |
| 1945 | 8,672 | 2,837 | 195 | 3,785 | 1,855 | 5.5 | 25.2 |
| 1944 | 7,990 | 2,660 | 252 | 3,402 | 1,676 | 5.9 | 27.6 |
| 1943 | 7,454 | 2,567 | 308 | 3,090 | 1,489 | 6.6 | 28.3 |
| 1942 | 7,056 | 2,848 | (1) | 2,802 | 1,406 | 7.4 | 26.0 |
| 1941 | 6,845 | 2,469 | 380 | 2,688 | 1,303 | 8.9 | 22.8 |
| 1940 | 6,673 | 2,441 | 431 | 2,563 | 1,238 | 9.4 | 24.4 |
| 1939 | 6,524 | 2,432 | 482 | 2,443 | 1,167 | 10.3 | 25.4 |
| 1938 | 6,435 | 2,428 | 553 | 2,347 | 1,107 | 11.3 | 25.6 |
| 1937 | 6,404 | 3,030 | (2) | 2,268 | 1,106 | 11.3 | 25.0 |
| 1936 | 6,329 | 3,081 | (3) | 2,185 | 1,093 | 11.3 | 24.6 |
| 1935 | 6,210 | 3,300 | (3) | 1,946 | 964 | 12.2 | 26.1 |
| 1934 | 6,152 | 3,349 | (1) | 1,915 | 888 | 13.2 | 26.1 |

¹ Preferred stock, capital notes, and debentures included with common stock.

From 1934 to 1950, total capital of insured commercial banks increased from \$6.2 billion to \$11.3 billion, an increase of 83 percent. During this same period the ratio of capital accounts to total assets declined from 13.2 percent to 6.8 percent. The ratio of capital accounts to assets other than cash and United States Government obligations declined from 26.1 percent in 1934 to 17.1 percent in 1950. This latter ratio, sometimes called the risk asset ratio, is at the lowest level ever reached since the Corporation was organized. In fact, it is necessary to go back to 1928 to find a year when this ratio, for all commercial banks, was as low as it was at the end of 1950.

The distribution of insured commercial banks according to their ratio of total capital accounts to total assets on December 30, 1950, is shown in Chart G. Chart H shows the ratio of total capital accounts to total assets, by State.

Chart G. BANKS GROUPED BY RATIO OF TOTAL CAPITAL ACCOUNTS TO TOTAL ASSETS, INSURED COMMERCIAL BANKS, DECEMBER 30, 1950



A noticeable regional pattern is found in the distribution of both of the capital ratios. The highest capital ratios are in the New England and Middle Atlantic States while the lowest ratios are in the West. The risk asset ratios follow the same regional pattern in all sections of the country except the South where the average ratios are about as low as in the West.

Insured commercial banks continued to retire the preferred stock, capital notes, and debentures held chiefly by the Reconstruction Finance Corporation. From 1945 to the end of 1950 the total par value of these investments was reduced from \$195 million to \$82 million, a reduction of \$113 million. The remaining capital investments of the Reconstruction Finance Corporation in banks are concentrated in a relatively few banks.

EARNINGS OF INSURED COMMERCIAL BANKS

Net profits after taxes of insured commercial banks advanced 13 percent during 1950 to the highest level on record. Dividend payments to stockholders were likewise greater than any previous disbursement, while profits retained in the bank continued to provide the principal increment to their capital accounts.

The sources and disposition of total income of insured commercial banks from 1945 to 1950 are summarized in Table 25.

**Table 25. SOURCES AND DISPOSITION OF TOTAL INCOME,
INSURED COMMERCIAL BANKS, 1945-1950**

(In millions)

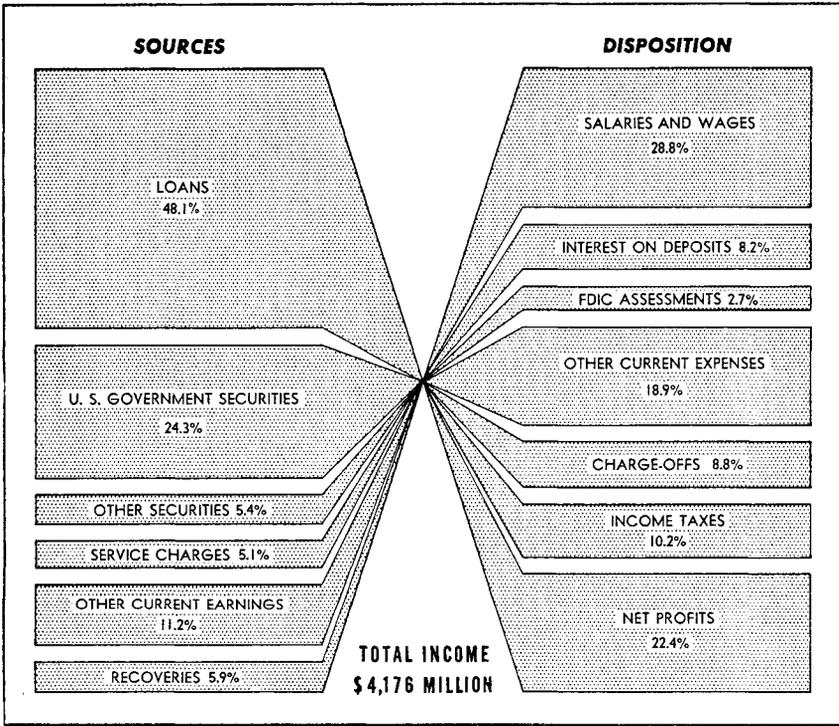
| Item | 1950 | 1949 | 1948 | 1947 | 1946 | 1945 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Total income | \$4,177 | \$3,820 | \$3,670 | \$3,360 | \$3,271 | \$2,992 |
| Sources | | | | | | |
| Loans..... | 2,008 | 1,760 | 1,600 | 1,282 | 951 | 727 |
| U. S. Government obligations..... | 1,015 | 1,013 | 1,008 | 1,080 | 1,219 | 1,133 |
| Other securities..... | 226 | 202 | 190 | 179 | 177 | 167 |
| Service charges on deposit accounts..... | 212 | 194 | 174 | 148 | 125 | 110 |
| Other current earnings..... | 470 | 438 | 432 | 409 | 390 | 346 |
| Recoveries (including transfers from reserve accounts and profits on sale of securities)..... | 246 | 213 | 266 | 262 | 409 | 509 |
| Disposition | | | | | | |
| Salaries and wages..... | 1,202 | 1,111 | 1,044 | 947 | 831 | 691 |
| Interest on deposits..... | 343 | 328 | 317 | 298 | 269 | 233 |
| Deposit insurance assessment..... | 111 | 109 | 109 | 105 | 98 | 86 |
| Other current expenses..... | 789 | 736 | 694 | 633 | 565 | 513 |
| Charge-offs (including losses and transfers to reserve accounts)..... | 367 | 380 | 486 | 294 | 283 | 264 |
| Income taxes..... | 428 | 325 | 275 | 302 | 323 | 299 |
| Net profits after taxes..... | 937 | 831 | 745 | 781 | 902 | 906 |

Detailed data: See Table 111, pp. 250-51.

The major sources of income of insured commercial banks and the disposition of this income in 1950 are shown in Chart J. Almost three-

fourths of the income came from loans and United States Government obligations, while the largest expenditure consisted of salaries and wages. After deducting all expenses, charge-offs and taxes, about a fifth of total income remained as net profits.

**Chart J. SOURCES AND DISPOSITION OF TOTAL INCOME,
INSURED COMMERCIAL BANKS, 1950**



Total current operating earnings. Total current operating earnings of \$3,931 million in 1950 exceeded the previous peak of 1949 by 9 percent. Most of the increase in current earnings, and over half the total earnings, came from the record volume of loans. Interest on United States Government obligations was practically the same as in 1949. Income from other securities increased by 12 percent and service charges on deposit accounts by 9 percent, but together these two sources provided only about a tenth of total current earnings. A summary of earnings, expense, and profit data of insured commercial banks for each year since 1934 is given in Table 26.

Income from loans has steadily risen in relative importance since World War II. At the end of 1945 loan income constituted only 29 percent of total income. Since that time income from loans has almost

trebled in amount and at the end of 1950 comprised 51 percent of total current operating earnings.

Table 26. EARNINGS, EXPENSES, AND PROFITS OF INSURED COMMERCIAL BANKS, 1934-1950

(In millions)

| Year | Total current operating earnings | Total current operating expenses ¹ | Net current operating earnings ¹ | Charge-offs in excess of recoveries and profits on assets sold ² | Income taxes ³ | Net profits after taxes | Cash dividends declared and interest paid on capital | Net profits retained in capital accounts |
|--------|----------------------------------|---|---|---|---------------------------|-------------------------|--|--|
| 1950.. | \$3,931 | \$2,445 | \$1,486 | \$121 | \$428 | \$937 | \$391 | \$546 |
| 1949.. | 3,607 | 2,284 | 1,323 | 167 | 325 | 831 | 354 | 477 |
| 1948.. | 3,404 | 2,164 | 1,240 | 219 | 276 | 745 | 332 | 413 |
| 1947.. | 3,098 | 1,982 | 1,116 | 32 | 302 | 782 | 315 | 467 |
| 1946.. | 2,863 | 1,763 | 1,100 | 126 ⁴ | 323 | 903 | 259 | 604 |
| 1945.. | 2,482 | 1,523 | 959 | 245 ⁴ | 299 | 905 | 274 | 631 |
| 1944.. | 2,215 | 1,357 | 858 | 96 ⁴ | 203 | 751 | 253 | 498 |
| 1943.. | 1,959 | 1,256 | 703 | 62 ⁴ | 128 | 637 | 233 | 404 |
| 1942.. | 1,790 | 1,222 | 568 | 48 | 79 | 441 | 228 | 213 |
| 1941.. | 1,730 | 1,216 | 514 | 9 | 50 | 455 | 253 | 202 |
| 1940.. | 1,681 | 1,170 | 461 | 37 | 23 | 401 | 237 | 164 |
| 1939.. | 1,605 | 1,148 | 457 | 57 | 12 | 388 | 232 | 156 |
| 1938.. | 1,584 | 1,148 | 436 | 126 | 10 | 300 | 222 | 78 |
| 1937.. | 1,634 | 1,156 | 478 | 86 | 11 | 381 | 226 | 155 |
| 1936.. | 1,567 | 1,114 | 453 | 83 ⁴ | 12 | 524 | 223 | 301 |
| 1935.. | 1,486 | 1,078 | 408 | 195 | 5 | 208 | 208 | ..... |
| 1934.. | 1,518 | 1,114 | 404 | 741 | 3 | -340 ⁵ | 188 | -528 ⁶ |

¹ Figures for 1934-1941 are estimates and differ from reported figures by the amount of estimated income taxes excluded from total current operating expenses. See note 3.

² Book value of assets charged off, and transfers to valuation reserves, minus recoveries on assets previously charged off, transfers from valuation reserves, and profits on assets sold.

³ Includes surtax and excess profits tax. Figures for 1934-1941 are estimates, based upon Bureau of Internal Revenue figures of income taxes paid by national banks for 1934-1937, and paid by "all banks and trust companies" for 1938-1941. Income taxes have been reported separately since 1936 for insured banks not members of the Federal Reserve System, and since 1942 for banks members of the Federal Reserve System.

⁴ Recoveries and profits on assets sold in excess of charge-offs.

⁵ Net loss.

Detailed data for 1942-1950: see Table 111, pp. 250-51.

The record \$2,008 million income from loans in 1950 was a result of both a greater volume of loans and a higher average rate of return. Between 1945 and 1950 income from loans increased 176 percent; over the same period the volume of loans expanded 97 percent, and the average rate of return advanced 40 percent. In 1950 most of the increase in loan income was derived from the rapid expansion in the volume of loans, since the average rate of return advanced only from 4.22 percent in 1949 to 4.34 percent. The average rates of income on loans and other operating ratios, for the years 1945 to 1950, are given in Table 27.

The average rate of income on loans varied directly with size of bank. In 1950 banks with deposits of \$500,000 or less received a return of 7.06 percent on their loans; the average rate of return declined directly with increased size of bank, and amounted to 3.10 percent in banks with deposits of more than \$100 million.

Interest on United States Government obligations has steadily declined in relative importance since 1945. In 1950 this interest comprised one-fourth of total current operating earnings, compared with nearly one-half in 1945. The amount in 1950, which was \$1,015 million, slightly exceeded the amount received from this source in 1949, notwithstanding the decline during 1950 of almost \$5 billion in holdings of United States Government obligations. The stability of income in this circumstance is explained by the fact that by far the major portion of the decline in bank holdings of United States Government obligations occurred in the latter part of 1950, so much so that average holdings during the year were slightly higher than during 1949. The rate of interest on bank holdings of United States Government obligations was a shade lower in 1950, averaging 1.59 percent compared with 1.61 percent in 1949.

Income from municipal and other securities increased 12 percent during 1950 to \$225 million. During the year bank holdings of State and local government issues expanded sharply, as their attraction to banks coincided with the largest flotation of these issues ever offered in a single year. Together with corporate securities these issues yielded an average return of 2.04 percent in 1950, compared with 2.15 percent in 1949.

Table 27. SELECTED OPERATING RATIOS OF INSURED COMMERCIAL BANKS, 1945-1950

| Operating ratio | 1950 | 1949 | 1948 | 1947 | 1946 | 1945 |
|---|-------|-------|-------|-------|-------|-------|
| Net current operating earnings to total assets | .93% | .87% | .82% | .75% | .72% | .66% |
| Net profits after taxes to total capital accounts | 8.51 | 7.98 | 7.49 | 8.20 | 10.01 | 10.87 |
| Dividends and interest on capital to total capital accounts | 3.55 | 3.40 | 3.33 | 3.31 | 3.32 | 3.29 |
| Retained net profits to total capital accounts | 4.96 | 4.58 | 4.16 | 4.89 | 6.69 | 7.58 |
| Average rate of income on loans | 4.34 | 4.22 | 4.04 | 3.79 | 3.43 | 3.09 |
| Average rate of income on securities | 1.66 | 1.68 | 1.64 | 1.60 | 1.56 | 1.46 |
| Average interest paid on time and savings deposits | .94 | .91 | .90 | .87 | .84 | .87 |
| Average service charges to demand deposits | .19 | .18 | .17 | .14 | .11 | .10 |
| Income taxes to net profits before income taxes | 31.35 | 28.11 | 26.98 | 27.89 | 26.38 | 24.80 |

Service charges on deposit accounts amounted to \$212 million. This source of income has grown steadily in importance over the years. Since 1945 the average charge for the maintenance of checking accounts has almost doubled; in 1950 this charge averaged 19 cents per \$100 of demand deposits.

The earnings of trust departments advanced 13 percent to \$181 million during 1950. This growth was approximately equivalent to the total increase registered by trust departments during the preceding three years.

All other current operating earnings in 1950, including miscellaneous service charges, commissions, fees, and rentals, totaled \$289 million.

Total current operating expenses. Current operating expenses totaled \$2,445 million in 1950, 7 percent above 1949. Almost half of these expenditures were for wages and salaries; these increased due to both greater employment and higher rates of pay. Banks had about 18,000 more employees at the end than at the beginning of the year. Bank officers earned an average of \$6,327, and non-officer employees, including an unknown number of part-time workers, earned an average of \$2,483.

Interest paid on time and savings deposits aggregated \$343 million, the largest amount ever paid by insured commercial banks. Since World War II such interest payments have comprised about one-seventh of total expenses, compared with over one-fourth in the early years of the Corporation. The decline in the relative importance of interest payments since 1934 has been due principally to a fall in the average rate of interest paid on time deposits. However, the rate of interest paid on such deposits in 1950, which averaged 0.94 percent, was slightly higher than in the last few years.

Property and other taxes, except those on net income, amounted to \$128 million. This was a 13 percent advance for an item which had increased only 15 percent in the preceding four years.

All other operating expenses totaled \$772 million. These include such varied items as depreciation on fixed assets, rentals, interest on borrowed money, fidelity and other insurance premiums, advertising, travel, office supplies, deposit insurance assessments, dues, contributions, and other incidental items.

Net current operating earnings. Gross earnings exceeded gross expenses by \$1,486 million, 12 percent above 1949. The rate of net earnings on total assets advanced from 0.87 percent to 0.93 percent, the highest rate in the history of the Corporation. Banks in the smallest size group, with deposits of \$500,000 or less, earned 1.29 percent on total assets. The average rate of net earnings declined progressively with increased size of bank, and averaged 0.82 percent for banks with deposits of more than \$100 million.

Charge-offs, recoveries, and transfers to and from reserves. In addition to earnings from current operations, banks normally receive each year income of a non-recurring character. Similarly, each year banks make provision for losses which are not directly related to current operations. In 1950 charge-offs exceeded non-recurring income by \$121 million, compared with \$167 million in 1949.

Income other than from current operations totaled \$246 million in 1950. Over a third of this amount, or \$91 million, came from profits on the sale of securities. Recoveries on loans and securities previously written off amounted to \$43 million; transfers from reserve accounts, to adjust for anticipated losses which did not materialize, totaled \$69 million. Miscellaneous recoveries and profits were \$43 million.

Charge-offs totaled \$367 million in 1950. Over half, or \$191 million, represented additions to valuation reserves for loans. Of this amount, \$156 million were made in accordance with the December 8, 1947, ruling of the Commissioner of Internal Revenue. By the end of 1950, 43 percent of all insured commercial banks had added to their reserves in accordance with this ruling; the proportion was appreciably less among insured banks not members of the Federal Reserve System, which are generally smaller institutions. The number and percentage of banks using this reserve method and the amount of reserves set up in accordance with it for the last three years are shown in Table 28.

**Table 28. INSURED COMMERCIAL BANKS USING RESERVE METHOD OF ACCOUNTING
[FOR BAD-DEBT LOSSES ON LOANS IN ACCORDANCE WITH RULING OF
COMMISSIONER OF INTERNAL REVENUE, 1948-1950]**

| Class of bank | Number and percentage of banks using reserve method | | | | | | Amount of reserves (in thousands) ¹ | | |
|---|---|--------------|--------------|------------|------------|------------|--|------------------|------------------|
| | Number | | | Percentage | | | Dec. 30, 1950 | Dec. 31, 1949 | Dec. 31, 1948 |
| | 1950 | 1949 | 1948 | 1950 | 1949 | 1948 | | | |
| Insured commercial banks in the United States..... | 5,792 | 5,576 | 5,120 | 43% | 42% | 38% | \$594,986 | \$463,773 | \$320,658 |
| National banks..... | 2,422 | 2,336 | 2,135 | 49 | 47 | 43 | 363,194 | 280,983 | 199,363 |
| State banks members of Federal Reserve System.. | 947 | 937 | 888 | 50 | 49 | 46 | 165,507 | 132,290 | 86,928 |
| State banks not members of Federal Reserve System.. | 2,423 | 2,303 | 2,097 | 37 | 35 | 32 | 66,285 | 50,500 | 34,367 |

¹ Reserves for bad-debt losses on loans, set up in accordance with the ruling of the Commissioner of Internal Revenue on December 8, 1947, comprise the major portion of valuation reserves for loans; the latter totaled \$672,986,000 on December 30, 1950.

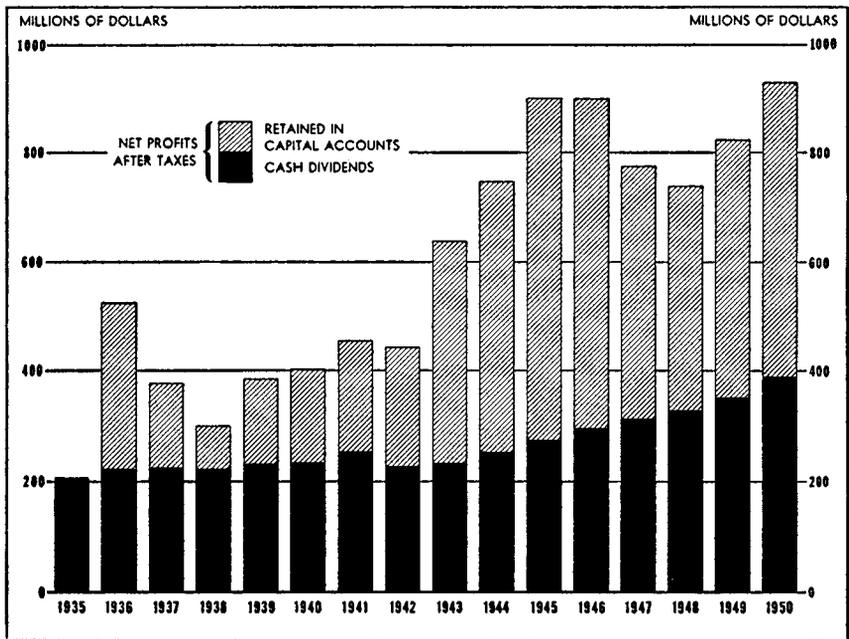
During 1950 \$56 million of losses on loans were charged to all valuation reserves for loans. In addition, there were direct losses and charge-offs on loans amounting to \$23 million for which no provision had been made. At the end of 1950 valuation reserves for loans totaled \$673 million.

Charge-offs on securities amounted to \$93 million in 1950. Of this amount, \$54 million represented additions to valuation reserves for securities, and \$39 million consisted of direct losses for which no reserve had been provided. During the year \$6 million of realized losses were charged to valuation reserves. At the end of 1950 valuation reserves for securities amounted to \$250 million.

Net profits and their disposition. Greater net current operating earnings and lower net charge-offs combined to increase net profits before taxes by 18 percent. In 1950 total profits before taxes were \$1,365 million. This higher level of profits brought with it a higher average rate of income tax, which absorbed 31 percent of net profits before taxes. Net profits after taxes were \$937 million, still well above the previous peak in 1945. This represented a rate of return of 8.51 percent on total capital accounts, compared with 7.98 percent in 1949, and was the highest rate of profits since 1946.

For the eighth consecutive year dividend payments were larger than in the preceding year, reaching a total of \$391 million in 1950. Nevertheless, the proportion of net profits disbursed as dividends was slightly smaller than in 1949, comprising 42 percent of net profits after taxes. This compares with an average of 39 percent disbursed during World War II and 61 percent in the prewar period. The amount and disposition of net profits after taxes from 1935 to 1950 are shown in Chart K.

**Chart K. DISPOSITION OF NET PROFITS AFTER TAXES,
INSURED COMMERCIAL BANKS, 1935-1950**

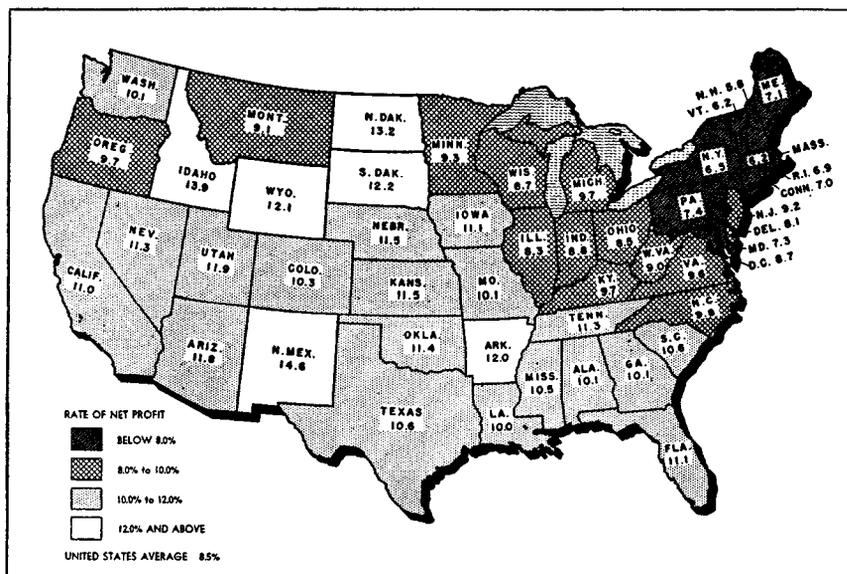


The profits retained, amounting to \$546 million, were the principal source of addition to capital accounts during the year. Except for 1945 and 1946, this was the largest addition to capital accounts since the beginning of deposit insurance.

Variation in net profits by State and size of bank. The rate of net profit after taxes on total capital accounts varied considerably among different geographical areas and among banks of different sizes. Part of the variation simply reflected differences in the relative capital position of the banks. However, economic forces having to do with location and size of institution were also at work.

Of the twenty-five States in which the banks averaged a return of 10 percent or more on total capital accounts, nineteen were west of the Mississippi River and the other six were in the South. New Mexico with 14.6 percent had the highest rate. The lowest rates of net profit were in the New England and Middle Atlantic States. New Hampshire with 5.8 percent had the lowest rate. The rates for each State are shown in Chart L.

Chart L. RATE OF NET PROFIT AFTER TAXES ON TOTAL CAPITAL ACCOUNTS, INSURED COMMERCIAL BANKS, 1950



As in 1949, the rate of net profit on total capital accounts averaged the highest among banks in the \$1 million to \$2 million size group; banks in this group also had higher than average ratios of capital to assets. In general, the larger the bank, the smaller the average rate of net profit.

MUTUAL SAVINGS BANKS

Number, deposits, and assets of all mutual savings banks. Mutual savings banks, unlike most commercial banks, conduct a specialized type of business. Nearly all of their deposits are savings and

time deposits, and their loans and investments are largely in long-term obligations. They are organized on the cooperative principle; depositors supply the funds and are the beneficiaries of their operations.

There were 529 mutual savings banks in the United States at the end of 1950. Although mutual savings banks comprised only 4 percent of all banks in the United States at the end of 1950, and held only 11 percent of total bank deposits, they held 36 percent of the nation's savings and time deposits.

Mutual savings banks are heavily concentrated in the Northeastern States; all but 16 are located in the New England and Middle Atlantic States. Within this area the savings banks do a sizeable portion of the total banking business. In New England mutual savings banks comprise 40 percent of all banks, and in New York some of the oldest and largest banks are organized as mutual savings institutions. In New England and New York State these banks held three-fourths of all savings deposits. The number of mutual savings banks and their relative importance in the States where they are located are indicated in Table 29.

Table 29. NUMBER AND DEPOSITS OF ALL BANKS AND OF MUTUAL SAVINGS BANKS, STATES HAVING MUTUAL SAVINGS BANKS, DECEMBER 30, 1950

| State | Number of banks | | Total deposits (in millions) | | Time deposits of business and individuals (in millions) | | Mutual savings banks as a percentage of all banks | | |
|---------------------------------|-----------------|----------------------|------------------------------|----------------------|---|----------------------|---|----------------|---|
| | All banks | Mutual savings banks | All banks | Mutual savings banks | All banks | Mutual savings banks | Number | Total deposits | Time deposits of business and individuals |
| United States—total..... | 14,650 | 529 | \$175,296 | \$20,031 | \$54,932 | \$20,004 | 4% | 11% | 36% |
| 17 States—total.. | 5,738 | 529 | 99,074 | 20,031 | 37,552 | 20,004 | 9 | 20 | 53 |
| Maine..... | 95 | 32 | 686 | 238 | 427 | 237 | 34 | 35 | 56 |
| New Hampshire.. | 109 | 34 | 556 | 278 | 388 | 278 | 31 | 50 | 72 |
| Vermont..... | 77 | 7 | 341 | 86 | 236 | 85 | 9 | 25 | 36 |
| Massachusetts.... | 371 | 189 | 7,692 | 3,312 | 4,032 | 3,311 | 51 | 43 | 82 |
| Rhode Island..... | 24 | 8 | 1,044 | 267 | 562 | 267 | 33 | 26 | 48 |
| Connecticut..... | 184 | 72 | 3,048 | 1,336 | 1,744 | 1,336 | 39 | 44 | 77 |
| New York..... | 759 | 130 | 44,893 | 11,665 | 15,577 | 11,661 | 17 | 26 | 75 |
| New Jersey..... | 347 | 23 | 5,455 | 599 | 2,563 | 587 | 7 | 11 | 23 |
| Pennsylvania..... | 978 | 7 | 11,906 | 1,077 | 4,062 | 1,076 | 1 | 9 | 26 |
| Delaware..... | 40 | 2 | 623 | 88 | 160 | 88 | 5 | 14 | 55 |
| Maryland..... | 173 | 9 | 2,073 | 402 | 813 | 401 | 5 | 19 | 49 |
| Ohio..... | 662 | 3 | 8,083 | 243 | 2,710 | 240 | (1) | 3 | 9 |
| Indiana..... | 490 | 4 | 3,322 | 43 | 323 | 40 | 1 | 1 | 4 |
| Wisconsin..... | 556 | 4 | 3,117 | 13 | 1,232 | 13 | 1 | (1) | 1 |
| Minnesota..... | 681 | 1 | 3,039 | 167 | 1,009 | 167 | (1) | 5 | 17 |
| Oregon..... | 71 | 1 | 1,436 | 17 | 392 | 17 | 1 | 1 | 4 |
| Washington..... | 121 | 3 | 2,200 | 200 | 722 | 200 | 2 | 9 | 28 |

¹ Less than 0.5 percent.

Detailed data: See Table 103, pp. 226-27.

Savings and time deposits of mutual savings banks reached a new high of \$20 billion at the end of 1950. This represented a 4 percent increase during the year and a 30 percent expansion since December 31, 1945. In contrast, savings and time deposits of commercial banks in New England and New York State have declined during each of the last two years, and at the end of 1950 were only 14 percent above the 1945 level.

Assets of mutual savings banks totalled \$22 billion at the end of 1950. Investments in real estate loans have almost doubled since 1945 and at the end of 1950 comprised over a third of their assets. Holdings of United States Government obligations declined 5 percent during 1950 to approximately their 1945 level, but still comprised nearly half of total assets. Investments in other securities were about a tenth of total assets; they decreased slightly during 1950 but were still almost twice their 1945 level. The principal assets and liabilities of all mutual savings banks at the end of 1950 are compared in Table 30 with the amounts in 1949 and in 1945.

Table 30. ASSETS AND LIABILITIES OF ALL MUTUAL SAVINGS BANKS IN THE UNITED STATES, DECEMBER, 1950, 1949, AND 1945

| Asset, liability, or surplus and capital account item | Amount (in millions) | | | Percentage change ¹ | |
|--|----------------------|------------------|------------------|--------------------------------|-----------------|
| | Dec. 30, 1950 | Dec. 31, 1949 | Dec. 31, 1945 | 1949 to 1950 | 1945 to 1950 |
| Total assets | \$22,385 | \$21,493 | \$17,021 | 4.2% | 31.5% |
| Cash and funds due from banks | 797 | 873 | 609 | -8.7 | 30.8 |
| United States Government obligations | 10,868 | 11,428 | 10,673 | -4.9 | 1.8 |
| Obligations of States and subdivisions | 88 | 86 | 89 | 2.3 | -1.2 |
| Other securities | 2,253 | 2,308 | 1,166 | -2.4 | 93.3 |
| Real estate and other loans | 8,137 | 6,578 | 4,281 | 23.7 | 90.1 |
| Miscellaneous assets | 242 | 220 | 203 | 9.9 | 19.1 |
| Total liabilities and surplus accounts | \$22,385 | \$21,493 | \$17,021 | 4.2% | 31.5% |
| Total deposits | 20,032 | 19,293 | 15,385 | 3.8 | 30.2 |
| Miscellaneous liabilities | 106 | 78 | 43 | 37.0 | 145.5 |
| Surplus and capital accounts | 2,247 | 2,122 | 1,593 | 5.9 | 41.1 |
| Number of banks | 529 | 531 | 542 | -4 | -2.4 |

¹ Computed from unrounded figures.

² Includes 8 guaranty savings banks in New Hampshire.

Detailed data for 1950: See Table 105, pp. 232-33.

The maturity distribution of United States Government obligations held by mutual savings banks at the end of each of the last three years is shown in Table 31.

Number, deposits, and assets of insured mutual savings banks. During 1950 two mutual savings banks, both in Rhode Island, became insured by the Federal Deposit Insurance Corporation. This brought

to 194 the total number of mutual savings banks insured by the Corporation. At the end of 1950 these banks comprised 37 percent of all mutual savings banks and held 71 percent of their deposits.

Table 31. MATURITIES OF UNITED STATES GOVERNMENT OBLIGATIONS HELD BY ALL MUTUAL SAVINGS BANKS, DECEMBER, 1948-1950

| Type and maturity | Amount (in millions) | | | Percentage distribution | | |
|--|----------------------|-----------------|-----------------|-------------------------|---------------|---------------|
| | Dec. 30, 1950 | Dec. 31, 1949 | Dec. 31, 1948 | Dec. 30, 1950 | Dec. 31, 1949 | Dec. 31, 1948 |
| United States Government obligations—total | \$10,868 | \$11,428 | \$11,476 | 100.0% | 100.0% | 100.0% |
| Non-marketable issues ¹ | 642 | 569 | 537 | 5.9 | 5.0 | 4.7 |
| Marketable issues: | | | | | | |
| Treasury bills, certificates, and notes ² | 177 | 290 | 391 | 1.6 | 2.5 | 3.4 |
| Bonds maturing in— ³ | | | | | | |
| 5 years or less..... | 637 | 1,120 | 948 | 5.9 | 9.8 | 8.2 |
| 5 to 10 years..... | 197 | 387 | 1,111 | 1.8 | 3.4 | 9.7 |
| 10 to 20 years..... | 6,297 | 5,691 | 3,794 | 58.0 | 49.8 | 33.1 |
| Over 20 years..... | 2,917 | 3,370 | 4,695 | 26.8 | 29.5 | 40.9 |
| Guaranteed securities..... | 1 | 1 | (4) | (4) | (4) | (4) |

¹ United States savings bonds, Treasury bonds (investment series A-1965), and depository bonds.

² Treasury bills are generally issued with maturities of 91 days; certificates of indebtedness have maturities of approximately one year; and Treasury notes are issued with maturities of from one to five years.

³ Based upon number of years to final maturity.

⁴ Less than \$500,000 or .05 percent.

The proportion of mutual savings banks insured by the Corporation varies widely among the States, as shown in Table 32. In eight of the seventeen States having mutual savings banks all of them are insured by the Corporation; in three States, on the contrary, none is insured by the Corporation. Accordingly, any comparison of the characteristics of insured mutual savings banks with noninsured mutual savings banks becomes largely a paraphrase of the features of mutual savings banks in different States, particularly in New York and Massachusetts. Of all deposits in insured mutual savings banks, New York State has 81 percent; on the other hand, Massachusetts has 58 percent of all deposits in noninsured mutual savings banks.

Earnings of insured mutual savings banks. Earnings data are obtained by the Corporation for the insured mutual savings banks. During the last few years insured banks have accounted for around two-thirds of the total earnings of all mutual savings banks. Chart M shows the sources and disposition of the total income of insured mutual savings banks in 1950. Of the total income, 87 percent consisted of current operating earnings and 13 percent of profits on securities sold and recoveries on assets previously charged-off.

In 1950 total current operating earnings of insured mutual savings banks advanced to a new peak of \$479 million. This was the ninth consecutive year of record earnings. Almost half of total earnings came from real estate mortgages. Income from United States Government obligations provided 38 percent of total earnings, and other securities supplied 10 percent.

Table 32. NUMBER AND DEPOSITS OF INSURED AND NONINSURED MUTUAL SAVINGS BANKS, BY STATE, DECEMBER 30, 1950

| State | Number of mutual savings banks | | | Deposits in mutual savings banks (in millions) | | | Percentage of mutual savings banks insured on basis of— | |
|--------------------|--------------------------------|------------|-------------|--|-----------------------------|----------------------------|---|------------|
| | Total | Insured | Non-insured | Total | Insured banks | Non-insured banks | Number | Deposits |
| Total | 529 | 194 | 335 | \$20,031 | \$14,320¹ | \$5,711¹ | 37% | 71% |
| Maine..... | 32 | 6 | 26 | 238 | 27 | 211 | 19 | 11 |
| New Hampshire..... | 34 | | 34 | 278 | | 278 | | |
| Vermont..... | 7 | 7 | | 86 | | 86 | 100 | 100 |
| Massachusetts..... | 183 | | 189 | 3,312 | | 3,312 | | |
| Rhode Island..... | 8 | 2 | 6 | 267 | 74 | 193 | 25 | 28 |
| Connecticut..... | 72 | 3 | 69 | 1,336 | 39 | 1,297 | 4 | 3 |
| New York..... | 130 | 130 | | 11,665 | 11,665 | | 100 | 100 |
| New Jersey..... | 23 | 23 | | 599 | 599 | | 100 | 100 |
| Pennsylvania..... | 7 | 7 | | 1,077 | 1,077 | | 100 | 100 |
| Delaware..... | 2 | | 2 | 88 | | 88 | | |
| Maryland..... | 9 | 2 | 7 | 402 | 83 | 319 | 22 | 21 |
| Ohio..... | 3 | 3 | | 243 | 243 | | 100 | 100 |
| Indiana..... | 4 | 3 | 1 | 43 | 31 | 12 | 75 | 71 |
| Wisconsin..... | 4 | 3 | 1 | 13 | 13 | (²) | 75 | 97 |
| Minnesota..... | 1 | 1 | | 167 | 167 | | 100 | 100 |
| Oregon..... | 1 | 1 | | 17 | 17 | | 100 | 100 |
| Washington..... | 3 | 3 | | 200 | 200 | | 100 | 100 |

¹ Components do not necessarily add to the total because of rounding.

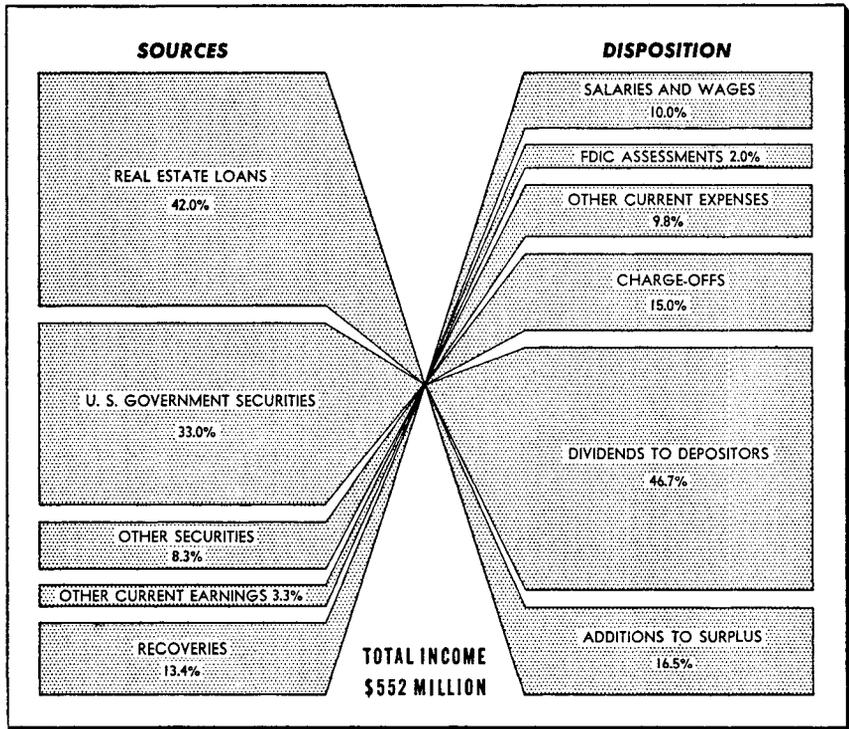
² Less than \$500,000.

Detailed data: See Table 103, pp. 226-27.

Income from real estate loans, which advanced 21 percent during the year, accounted for practically all of the growth in earnings. The larger volume of these loans was wholly responsible for this greater income, as the average rate of return has fallen steadily from 4.61 percent in 1945 to 4.35 percent in 1950. This decline is due largely to an increased proportion of loans which are partially or fully guaranteed by the United States Government and carry lower interest rates than most other mortgage loans. During this period, the volume of real estate loans expanded 74 percent and total income from this source increased 64 percent.

A slight decline in income from United States Government obligations during 1950 was offset by an increase in income from other securities. The average rate of income on all securities was 2.45 percent, approximately the same as in the preceding year.

Chart M. SOURCES AND DISPOSITION OF TOTAL INCOME,
INSURED MUTUAL SAVINGS BANKS, 1950



Current operating expenses totaled \$115 million in 1950, 11 percent greater than in the previous year. Wages and salaries of \$56 million were the largest expense item. Officers received an average of \$10,220 while other employees averaged \$3,057. These wages and salaries are higher than those received by commercial bank employees, due in part to the concentration of insured mutual savings banks in New York State, where wages and salaries exceed the national average.

Dividends paid to depositors increased 9 percent to \$258 million. This was the largest amount, the highest rate, and the greatest percentage disbursement of net earnings since 1943, the earliest year for which comparable data are available. These dividend payments, similar to interest paid by other banks, afforded an average dividend to depositors of 1.84 percent on their time and savings deposits. This rate contrasts with the 0.94 percent interest paid on time and savings deposits in insured commercial banks.

Amounts and average rates of income received on loans and securities, and the dividends paid by insured mutual savings banks, from 1943 to 1950 are given in Table 33.

Table 33. AMOUNT AND AVERAGE RATE OF INCOME RECEIVED AND DIVIDENDS ON DEPOSITS, INSURED MUTUAL SAVINGS BANKS, 1943-1950

| Year | Income (in millions) from— | | Rate of income on— ¹ | | Dividends paid on deposits | | Ratio of dividends to net current earnings |
|-----------|----------------------------|------------|---------------------------------|------------|----------------------------|-------------------|--|
| | Loans | Securities | Loans | Securities | Amount (in millions) | Rate ¹ | |
| 1950..... | \$235 | \$229 | 4.35% | 2.45% | \$253 | 1.84% | 71.0% |
| 1949..... | 194 | 228 | 4.37 | 2.44 | 236 | 1.79 | 70.9 |
| 1948..... | 169 | 220 | 4.43 | 2.38 | 196 | 1.57 | 64.8 |
| 1947..... | 153 | 209 | 4.51 | 2.34 | 181 | 1.53 | 64.3 |
| 1946..... | 144 | 194 | 4.58 | 2.35 | 160 | 1.47 | 60.3 |
| 1945..... | 143 | 160 | 4.61 | 2.31 | 143 | 1.49 | 58.5 |
| 1944..... | 141 | 128 | 4.53 | 2.38 | 132 | 1.60 | 63.3 |
| 1943..... | 139 | 101 | 4.44 | 2.54 | 118 | 1.65 | 63.6 |

¹ Loans, securities, and deposits used in computing these rates are averages of figures reported at beginning, middle, and end of year.

Detailed data: See Tables 118 and 119, pp. 272-75.

Net current operating earnings in excess of dividends on deposits were \$105 million. This amount was augmented by profits on sales of securities and by other recoveries and transfers from reserves of \$74 million. However, losses, charge-offs and transfers to reserves of \$83 million more than off-set these income items. Taxes computed on net income amounted to \$5 million. These taxes were franchise taxes rather than true income taxes, for mutual savings banks are not subject to income tax. However, in six States the amount of the franchise tax is computed on the net income of the bank, and is therefore treated in earnings reports as an income tax.

After all adjustments in surplus and capital accounts, these accounts were \$93 million greater at the year-end, amounting to \$1,513 million. The ratio of surplus and capital accounts to total assets rose slightly to 9.5 percent.

PART THREE

**HISTORY OF LEGISLATION FOR THE GUARANTY OR
INSURANCE OF BANK DEPOSITS**

PREDECESSORS OF THE FEDERAL DEPOSIT INSURANCE LAW

Adoption of deposit insurance by the Congress in 1933 followed the prolonged banking crisis of the early 1930's, which had culminated in thousands of bank failures and finally in the banking holiday of 1933. However, the insurance of bank deposits was not a novel idea conceived at that time nor was it an untried experiment.

The history of deposit insurance in the United States goes back a century and a quarter to the efforts of State legislatures to establish stable banking systems. A period of mushroom growth in banking had followed the dissolution of the first Bank of the United States in 1811; and this, together with the policies of the second Bank of the United States at the end of that decade, had led to many bank failures in the early years of the 1820's. In the decades of the 1820's and 1830's banking codes were developed in many of the States. The primary aim of these codes was to provide conditions under which bank credit would not be subject to alternations of excessive expansion and contraction, with consequent periods of financial disturbance accompanied by numerous bank failures.

At that time the credit of commercial banks was extended both in the form of deposit accounts and in the form of circulating notes, or currency; and the latter formed a much larger part of the nation's circulating medium than do the circulating notes issued now by the Treasury and the Federal Reserve banks. In the 1820's, the total circulating medium was about equally divided between deposits and currency; and practically all of the currency, except for minor coins, consisted of circulating notes of commercial banks.

State systems of guaranty of bank obligations prior to creation of the national banking system. In the discussions accompanying the development of banking codes, there was more agitation for special legislative provisions to assure the safety of bank credit in the form of circulating notes than in the form of deposits. In many sections of the country, currency issued by banks was predominantly used in making payments, and tended to circulate for long periods of time before being returned to the issuing bank. The use of deposits was mainly concentrated in the large cities, and checks or drafts on deposits were usually presented to the issuing bank promptly. In consequence, some of the plans for insurance of bank obligations covered only circulating notes, while others covered both circulating notes and deposits. The earliest plans covered both notes and deposits.

Insurance funds covering both circulating notes and deposits, or the mutual guaranty of bank obligations, were established by New York in 1829, Vermont in 1831, Indiana in 1834, and Michigan in 1836. The New York plan was modified to cover circulating notes only in 1842, after the fund was found insufficient. Plans covering circulating notes only were adopted by Ohio in 1845 and Iowa in 1858.

These plans met with varying degrees of success. The Michigan plan applied only to a few banks and appears never to have been in actual operation. The New York and Vermont funds were partially successful, meeting nearly all claims against them and operating for about forty years, passing out of existence with the termination of the charters of all the participating banks. The plans in Indiana, Ohio, and Iowa applied to the offices of so-called State banks, the "branches" of which were in reality independent banks subject to examination and supervision by State boards of control. All three were highly successful. They were discontinued only when the "branches" converted into national banks following the prohibitive Federal tax in 1865 on circulating notes of State banks.

United States government guaranty of circulating banknotes. In 1863 the National Bank Act provided for guaranty by the Federal Government of circulating notes issued by national banks.¹ Federal Government guaranty of circulating banknotes has continued to the present time. Guaranty of national banknotes continued until 1935, when they were retired, and the notes of Federal Reserve banks have been guaranteed since establishment of the Federal Reserve System.

At the time when establishment of a national banking system was under consideration, circulating notes were, as in the 1820's, about equal in amount to deposits. A large portion of the circulating notes in use in 1863, when the National Bank Act was adopted, had been issued by the Federal Government during the early years of the Civil War. The remaining circulating notes were issues of State banks. It was expected that most of these circulating notes would be replaced by notes of the new national banks.

Consequently, at the beginning of the national banking system it was expected that about one-half of the circulating medium would be covered by Federal government guaranty. This is about the same proportion of the circulating medium as was guaranteed or insured after establishment of the Federal Deposit Insurance Corporation in 1934. With the more rapid growth of currency than of deposits during World War II, the amount of deposits insured and currency guaranteed rose to about three-fifths of the circulating medium.

¹Each bank which issued circulating notes was required to purchase United States Government bonds and deposit them with the Comptroller of the Currency as security for the circulating notes, which were printed under the directions of the Comptroller.

Due to circumstances which apparently were not foreseen at the time of passage of the National Bank Act, the proportion of bank obligations guaranteed by the Federal Government under the provisions of that Act declined substantially in the 1870's and 1880's. Circulating notes did not expand as rapidly as the needs of the nation for circulating medium. Increased use was made of deposits transferable by check because of their convenience in making payments in distant places and their advantages with respect to safekeeping. In consequence, the problem of assuring the safety and value of bank deposits became as important a monetary problem as that of assuring the safety and value of banknotes.

Proposals for guaranty of deposits in national banks, 1886-1912.

By the middle of the 1880's deposits had become over four-fifths of the circulating medium. The problem of protecting bank deposits was sufficiently acute to bring about the introduction in the Congress of bills providing for the guaranty of deposits. Four bills for this purpose were introduced in the House of Representatives in 1886. Fourteen more were introduced in the Congress prior to 1900.

In the 60th Congress, following the panic of 1907, about thirty proposals for deposit guaranty legislation were made. Most of these related to deposits in national banks but in a few cases other banks were also eligible for participation. In 1908 the National Monetary Commission was established and during the next five years only a few bills for deposit guaranty were introduced in Congress. It is believed that numerous proposals of this sort were made to the National Monetary Commission but no record of them has been located.

State deposit guaranty systems, 1907-1917. Proposals for the guaranty of bank deposits were not confined to the Federal Congress. In the 1890's and the early years of the present century, many similar proposals were made in the legislatures of various States.

During the period 1907-1917 deposit guaranty funds were established in eight States: Oklahoma in 1907; Kansas, Nebraska, and Texas in 1909; Mississippi in 1914; South Dakota in 1915; and North Dakota and Washington in 1917. By 1933 these funds had become insolvent or inoperative as a result of the large number of bank failures in the 1920's and early 1930's, and of relatively high failure rates among the larger banks.

Proposals for Federal deposit insurance, 1913-1932. During the period when establishment of the Federal Reserve System was under consideration proposals for deposit guaranty were considered by the banking and currency committees of the Congress. The Federal Reserve Act, as reported by the Senate Committee on Banking and Currency and as passed by the Senate in 1913, contained a provision placing part of the earnings of the Federal Reserve banks in a depositors' guaranty

fund. This was eliminated by a joint conference committee with the House. However, during the next few years several bills for the guaranty of bank deposits were introduced.

In the early 1930's numerous proposals for deposit guaranty were made. More than twenty bills for this purpose were introduced in the 72nd Congress, which opened in 1931. Early in 1932, hearings on one of these were held by a subcommittee of the Banking and Currency Committee of the House of Representatives. Following the hearings, the bill was reported favorably by the Committee, and it passed the House of Representatives in May 1932. The Banking and Currency Committee of the Senate, to which the bill was referred after its passage by the House, took no action on it before the 72nd Congress adjourned on March 4, 1933.

In the first session of the 73rd Congress, which opened on March 9, 1933, several bills for deposit insurance were introduced. One of these proposals was incorporated in the Banking Act of 1933, as introduced in the House and Senate by the chairmen of their banking and currency committees.

DEPOSIT INSURANCE LEGISLATION, 1933-1950

Federal legislation regarding deposit insurance. Most of the important features of the deposit insurance law, as enacted in June 1933, may be found in one or more of the bills previously introduced in the Congress. Some of the basic provisions were contained in the very earliest of the bills introduced.

One feature of the deposit insurance law of 1933 was provision for two distinct and separate plans of deposit insurance. One of these was a temporary plan which limited the protection to \$2,500 for each depositor. The other was a permanent plan which provided 50 percent coverage on all deposits in excess of \$50,000, 75 percent coverage of deposits exceeding \$10,000 but not \$50,000, and full coverage of all deposits up to \$10,000 per depositor.

Both of the plans of deposit insurance embodied in the Banking Act of 1933 were amended. Coverage under the temporary plan was raised in 1934 to \$5,000. The permanent plan was revised in 1935, before going into effect, with coverage reduced to \$5,000. In 1950, coverage under the permanent plan was raised to \$10,000. Table 34 gives the insurance coverage and sources of funds in the plans for deposit insurance approved by the Senate in 1913 and the House of Representatives in 1932, the two plans adopted in 1933, and the subsequent amendments.

State deposit insurance legislation, 1934-1943. Subsequent to creation of the Federal Deposit Insurance Corporation three States

provided for establishment of deposit insurance funds for mutual savings banks. These were Massachusetts and New York in 1934, and Connecticut in 1943. The New York fund passed out of existence in 1943, when all the participating banks became insured by the Federal Deposit Insurance Corporation. The Massachusetts plan covers all mutual savings banks in the State; in Connecticut nine-tenths of the savings banks participate. In all three of these plans for mutual savings banks the insurance covered all deposits.

Table 34. DEPOSITS INSURED AND SOURCES OF FUNDS IN DEPOSIT INSURANCE PLANS ENACTED BY CONGRESS OR PASSED BY ONE HOUSE

| Act | Deposits covered ¹ | Assessments on participating banks | Other sources of funds |
|--|---|---|---|
| Federal Reserve Act as passed by Senate, Sept. 19, 1913 | All deposits | None | 25 percent of net earnings of Federal Reserve banks after dividends |
| Passed House of Representatives, May 27, 1932 | All deposits | Annually on banks members F. R. System not over \$100,000,000 distributed in proportion to deposits and at same rate in participating banks not members F. R. System; if fund exceeds \$500,000,000, excess may be refunded to banks contributing to last annual assessment | Initial levy on F. R. banks \$150,000,000 in proportion to surplus; 45 percent of net earnings of F. R. banks after dividends; U. S. appropriation of amount received as franchise tax from F. R. banks. Federal Bank Liquidating Board empowered to borrow on assets of insolvent national banks, and to borrow a maximum of \$500,000,000 from the Reconstruction Finance Corporation |
| Banking Act of 1933 (approved June 16) Permanent plan | 100 percent of each depositor's account not exceeding \$10,000, 75 percent in excess of \$10,000 up to \$50,000, and 50 percent of accounts in excess of \$50,000 | Capital stock subscription equal to 1/2 of 1 percent of outstanding deposits as of January 1, 1933; assessment equal to 1/4 of 1 percent of total deposits when net debit balance of deposit insurance account equals or exceeds that amount | Capital stock subscription by F. R. banks equal to one-half of surplus on Jan. 1, 1933, and by U. S., \$150,000,000. Federal Deposit Insurance Corporation empowered to issue its obligations not to exceed 3 times its capital and surplus |
| Banking Act of 1933 (approved June 16) Temporary plan | \$2,500 per depositor (amended June 16, 1934, to \$5,000 per depositor, with option of \$2,500 or \$5,000 for mutual savings banks) | 1/4 of 1 percent of insured deposits, plus 1/4 of 1 percent on call by the Corporation | As in permanent plan |
| Banking Act of 1935 (approved August 23) | \$5,000 per depositor | Annually 1/12 of 1 percent of average deposits | Capital stock subscription of U. S. Treasury and Federal Reserve banks (\$289,000,000) transferred from temporary fund. Federal Deposit Insurance Corporation empowered to issue obligations not to exceed 3 times amount received by the Corporation in payment of its capital stock and in assessments on insured banks for 1936 |
| Federal Deposit Insurance Act, 1950 (approved Sept. 21) | \$10,000 per depositor | Annually 1/12 of 1 percent of average deposits, with three-fifths of this amount adjusted for losses and operating costs to be returned to insured banks | Federal Deposit Insurance Corporation authorized to borrow from Treasury a maximum of \$3,000,000,000 at any one time |

¹ In the Federal Reserve Act as passed by the Senate in 1913 deposit insurance applied to banks members of the Federal Reserve System. In the other acts, all members of the Federal Reserve System were required to participate, and applicant State banks were eligible for participation upon certification of solvency or sound condition by the State authority or upon examination and approval by the administrative Board.

ANALYSIS OF CONGRESSIONAL PROPOSALS FOR
DEPOSIT GUARANTY OR INSURANCE, 1886-1933

For the entire period from 1886 to the establishment of the Federal Deposit Insurance Corporation, 150 bills for the guaranty or insurance of bank deposits, including a few proposed amendments to banking bills under consideration, are known to have been introduced in the Congress. It is probable that the total number introduced was larger, for it has not been feasible to analyze the content of all bills relating to banking.

The foregoing figure does not include bills proposing the establishment and operation of banks of deposit by the government itself. Numerous proposals of this type have been introduced in the Congress, some calling for establishment of a Bank of the United States with branches scattered throughout the country, others for a series of banks owned by the government and operating under conditions similar to those imposed upon national banks, and others for expansion of the Postal Savings System to provide for receipt of deposits and their transfer by check at postoffices throughout the nation. The number of such proposals has not been tabulated. Several bills which would have authorized national banks to participate in State deposit guaranty plans are also excluded from the tabulation.

Another group of bills, similar in principle to deposit insurance, proposed to authorize national banks to issue circulating notes on the basis of various types of assets or as general obligations of the banks, with a guaranty or insurance fund to which all national banks would contribute. These proposals were numerous during the thirty years preceding establishment of the Federal Reserve System. The number of these bills has not been tabulated.

Of the 150 bills for the guaranty or insurance of bank deposits about one-half were original bills in the sense that the proposals embodied in them differed significantly from proposals embodied in other bills. The rest of the bills were duplicates or slightly amended versions of the original bills. These duplicates or amended bills include cases where identical bills were introduced in both Houses of the Congress on the same day or approximately the same time, cases where a member of the Congress introduced the same bill into successive Congresses, and cases where members of the Congress made slight revisions in their proposals and reintroduced them as new bills. However, it is not possible to draw a definite line of demarcation between original proposals and duplicate or revised bills. Many of the bills with definitely original provisions were similar to previously introduced bills with respect to other features. A digest of the provisions of each of the 150 bills is given on pages 80-101.

Sponsors. The 150 bills were introduced by 79 different members of the Congress, of whom 22 were Senators and 57 members of the House of Representatives. The latter figure excludes two Representatives who also introduced bills as Senators. The sponsors of the bills came from 30 States in all parts of the nation. Slightly over one-half of the sponsors were Democrats, and nearly one-half Republicans. Three were members of other parties.

Character of protection. Three general methods of providing protection for depositors were proposed in the bills. Of the 150 bills, 118 provided for the establishment of an insurance fund, sometimes called a guaranty fund, out of which depositors' losses would be paid; 22 provided for United States government guaranty of deposits; and 10 required banks to purchase surety bonds guaranteeing deposits in full. Table 35 shows the number of each of these three types of bills introduced in each Congress.

Table 35. CONGRESSIONAL BILLS FOR GUARANTY OR INSURANCE OF BANK DEPOSITS, 1886-1933

NUMBER IN EACH CONGRESS CLASSIFIED BY CHARACTER OF INSURANCE OR GUARANTY

| Congress and years | Total | Bills providing for— | | |
|----------------------------|------------|--|------------------------|----------------------------------|
| | | United States government guaranty ¹ | Insurance ² | Surety bonds by fidelity company |
| Total..... | 150 | 22 | 118 | 10 |
| Congress | | | | |
| 49th, 1885-87..... | 4 | | 4 | |
| 50th, 1887-89..... | 1 | | 1 | |
| 51st, 1889-91..... | | | | |
| 52nd, 1891-93..... | 2 | 1 | 1 | |
| 53rd, 1893-95..... | 5 | 2 | 3 | |
| 54th, 1895-97..... | 1 | 1 | | |
| 55th, 1897-99..... | 5 | 2 | 3 | |
| 56th, 1899-01..... | | | | |
| 57th, 1901-03..... | | | | |
| 58th, 1903-05..... | 1 | 1 | | |
| 59th, 1905-07..... | 6 | | 6 | |
| 60th, 1907-09..... | 33 | 3 | 30 | |
| 61st, 1909-11..... | 7 | 1 | 6 | |
| 62nd, 1911-13..... | 2 | | 2 | |
| 63rd, 1913-15..... | 8 | | 8 | |
| 64th, 1915-17..... | 3 | | 3 | |
| 65th, 1917-19..... | 5 | 3 | 2 | |
| 66th, 1919-21..... | 3 | | 3 | |
| 67th, 1921-23..... | 3 | | 3 | |
| 68th, 1923-25..... | 6 | | 5 | 1 |
| 69th, 1925-27..... | 6 | 2 | 3 | 1 |
| 70th, 1927-29..... | 6 | 1 | 2 | 3 |
| 71st, 1929-31..... | 7 | 1 | 5 | 1 |
| 72nd, 1931-33..... | 21 | 3 | 15 ³ | 3 |
| 73rd, 1933 (Mar.-May)..... | 15 | 1 | 13 | 1 |

¹ Includes four bills providing for an insurance fund to which government appropriations were to be made sufficient to maintain it at a specified minimum.

² One fund for all participating banks, except in eight bills in which separate funds were to be established in the various Federal Reserve districts.

³ Includes 1 bill in which cost was to be underwritten in part by the United States Government.

Several of the proposals for insurance or guaranty of bank deposits were accompanied by other proposed currency and banking reforms. Such reforms related to methods and extent of currency issue, and to the methods and character of chartering, regulating, and examining banks.

Participant banks. Most of the bills for guaranty or insurance of bank deposits introduced prior to establishment of the Federal Reserve System in 1913 authorized participation of national banks only, though a few of them also covered deposits in State banks which met specified conditions. About one-half of the bills introduced subsequent to establishment of the Federal Reserve System provided for participation of all members of that system. Most of the remaining bills covered only national banks. Only a few provided for coverage of deposits in banks which were not members of the Federal Reserve System. In a few bills the insurance of deposits applied to cooperative banks, which were to be established, with limited dividends to stockholders and distribution of the remaining profits to depositors.

In nearly all the proposals participation was required of national banks, or of all banks members of the Federal Reserve System; such participation was optional in only a few of the proposals. In the cases in which deposit guaranty was made available to State banks not members of the Federal Reserve System, such participation was optional.

A more detailed classification and summary of the provisions of the various bills regarding participation in deposit insurance or guaranty is given in Table 36.

Administrative authority. Nearly two-thirds of the bills for deposit insurance or guaranty introduced prior to establishment of the Federal Reserve System provided for administration of the insurance or guaranty system by the Comptroller of the Currency. Most of the remaining bills introduced during that period provided for administration of the system by the Secretary of the Treasury. A few, however, named the Treasurer of the United States, and in two cases new boards were proposed.

In the case of bills for deposit insurance or guaranty introduced subsequent to establishment of the Federal Reserve System, about one-fourth provided for administration by the Comptroller of the Currency and nearly one-third by the Federal Reserve Board or by the Federal Reserve banks under supervision of the Board. However, nearly one-fifth of the bills introduced during this period provided for special administrative boards. In many of these the Comptroller of the Currency was to be a member of the proposed administrative board. In a few cases one of the members of the Federal Reserve Board was to be a member of the board in charge of the insurance system.

Table 36. BANKS REQUIRED OR PERMITTED TO PARTICIPATE IN DEPOSIT INSURANCE OR GUARANTY PROPOSALS FOR FEDERAL LEGISLATION—1886-1933

| Banks participating | Number of bills |
|--|-----------------|
| Total bills introduced..... | 150 |
| National banks—total..... | 81 |
| All national banks..... | 72 |
| All national banks members Federal Reserve System ¹ | 1 |
| All national banks organized under the Act..... | 1 |
| National banks in satisfactory condition..... | 1 |
| National banks found solvent by the Comptroller of the Currency..... | 1 |
| National banks accepting the Act..... | 1 |
| All national banks in each Federal Reserve district in which fund is established by majority vote of the bank..... | 3 |
| National and State banks—total..... | 7 |
| All national banks; applicant State banks solvent and properly managed..... | 2 |
| All national banks; applicant State banks under conditions prescribed by the Comptroller of the Currency..... | 1 |
| National and State banks accepting the Act..... | 1 |
| Solvent national and State banks accepting terms of the Act..... | 1 |
| Any applicant national or State bank certified as sound by the Secretary of the Treasury or State banking authority, respectively, and approved by the Federal Bank Liquidating Board..... | 1 |
| All national banks; applicant savings banks agreeing to same regulations and examinations as national banks..... | 1 |
| Federal Reserve member banks—total..... | 41 |
| All Federal Reserve member banks..... | 23 |
| All national banks and all State banks members Federal Reserve System ¹ | 10 |
| All Federal Reserve member banks except those under a State deposit guaranty law..... | 4 |
| All Federal Reserve member banks, with State banks members of State funds having privilege of withdrawal..... | 1 |
| All members Federal Reserve System in each district in which guaranty fund has reached size prescribed by Board..... | 1 |
| All Federal Reserve member banks "deemed sound" or certified as to "apparent solvency" by the Comptroller of the Currency..... | 2 |
| Federal Reserve member banks and other banks..... | 12 |
| All members Federal Reserve System; other applicant banks with total capital account of \$25,000 or more which are certified to be in sound financial condition (or which maintain a satisfactory condition and management)..... | 3 |
| All members Federal Reserve System; other applicant banks certified by State authority to be in sound financial condition..... | 1 |
| All members Federal Reserve System; other applicant banks upon approval by (or complying with requirements of) the Federal Reserve Board..... | 2 |
| All members Federal Reserve System; other applicant State banks approved by directors of insurance fund..... | 2 |
| All members Federal Reserve System; other applicant State banks certified to be solvent by State authority and approved by directors of fund..... | 2 |
| All members Federal Reserve System; other applicant banks and building and loan associations found solvent ² | 2 |
| All classes of banks..... | 5 |
| All banks organized under the Act ³ | 1 |
| Any applicant bank organized under the Act ³ | 1 |
| All national banks and all banks under State charter, including private banks..... | 1 |
| All Federal Reserve member banks, with all banks of deposit required to become members of the Federal Reserve System..... | 2 |
| Cooperative banks to be organized..... | 4 |
| Cooperative national banks..... | 2 |
| Federal cooperative banks..... | 2 |

¹ Membership in the Federal Reserve System is optional with national banks located in territories and possessions.

² These bills also offered insurance to individual depositors in banks which did not apply for insurance.

³ These were general banking reform bills, under which all or most operating banks were expected to come under provisions of the proposed Act.

The various methods of administration proposed in the bills are shown in Table 37.

Deposits and other liabilities protected. Four-fifths of the bills provided for insurance or guaranty of all, or nearly all, deposits. In

some cases deposits otherwise secured, or deposits of officers, directors, and stockholders, were excluded from protection. In most of the bills providing full coverage of deposits, payment from the insurance or guaranty fund was to be made as soon as practicable; in a few bills, the payments from the fund were to cover the deposits not paid from the proceeds of liquidation. In most of the latter cases depositors would be required to wait until the completion of liquidation before they could obtain payments from the fund, though in a few cases advances to receivers or liquidating agents were authorized.

Table 37. ADMINISTRATIVE AUTHORITY IN PROPOSALS FOR FEDERAL DEPOSIT INSURANCE OR GUARANTY LEGISLATION, 1886-1933

| Administrative authority | Total | Number of bills | |
|---|------------|--------------------------------------|--------------------------------------|
| | | 49th to 62nd Congresses ¹ | 63rd to 73rd Congresses ² |
| Total number of bills | 150 | 67 | 83 |
| Comptroller of the Currency..... | 64 | 44 | 20 |
| Secretary of the Treasury (or Treasury Department)..... | 33 | 20 | 13 |
| Treasurer of the United States ³ | 7 | 1 | 6 |
| Federal Reserve Board..... | 20 | | 20 |
| Federal Reserve banks under supervision of Federal Reserve Board..... | 5 | | 5 |
| Agency to be created—total | 20 | 2 | 18 |
| Ministers of Finance (Board of 3 persons succeeding the Comptroller of the Currency)..... | 2 | 2 | |
| Cooperative reserve bank..... | 2 | | 2 |
| Federal Farm Board..... | 2 | | 2 |
| Bureau of Insurance to be organized by Treasury Department..... | 1 | | 1 |
| Federal Guaranty and Insurance Corporation..... | 2 | | 2 |
| Federal Bank Liquidating Board..... | 4 | | 4 |
| Federal Banking Commission..... | 2 | | 2 |
| Guarantee Board..... | 2 | | 2 |
| Federal Bank Deposit Insurance Corporation..... | 1 | | 1 |
| Federal Deposit Insurance Corporation..... | 2 | | 2 |
| Not specified | 1 | | 1 |

¹ Prior to establishment of the Federal Reserve System.

² Subsequent to establishment of the Federal Reserve System, including proposed amendments to the Federal Reserve Act while that Act was under consideration.

³ Includes one bill with administration by the Treasurer of the United States and Comptroller of the Currency.

The bills which provided for only partial coverage of deposits contained a variety of limitations. Three provided coverage of 50 percent of deposits in excess of \$50,000, 75 percent of deposits in excess of \$10,000 up to \$50,000, and full coverage up to \$10,000 for each depositor. Four limited the coverage to 50 percent of deposits; one to 25 percent of deposits; and six to 25 percent of deposits other than interest bearing time deposits and deposits otherwise secured. Three limited the protection to \$5,000 for each depositor. Several bills limited the protection to non-interest bearing deposits of individuals and institutions or non-interest

bearing deposits of individuals subject to check; and several others to deposits bearing not more than specified rates of interest. Two bills covered time deposits only and limited the protection to 75 percent.

In a substantial number of bills all liabilities not otherwise secured were protected by the insurance or guaranty. In no bill did the protection extend to capital accounts.

Further details regarding the protection to be afforded to depositors and other creditors are given in Table 38.

Table 38. DEPOSITS AND OTHER LIABILITIES COVERED BY INSURANCE OR GUARANTY IN PROPOSALS FOR FEDERAL LEGISLATION, 1886-1933

| Liabilities covered | Number of bills |
|---|-----------------|
| Total number of bills | 150 |
| Complete, or nearly complete, coverage of deposits, and also full or partial coverage of other liabilities—total | 41 |
| Deposits and other liabilities..... | 9 |
| All liabilities to creditors not covered by assets or not paid from proceeds of liquidation..... | 2 |
| All liabilities, except circulation and United States deposits ¹ | 9 |
| All liabilities, except circulation, United States deposits, and other secured public deposits..... | 3 |
| All depositors and creditors, except officers, directors, and stockholders..... | 8 |
| Deposits and circulating notes..... | 2 |
| Deposits, circulating notes, and expenses of note redemption and bank examination ² | 1 |
| Deposits and obligations to creditors, excluding creditors for borrowed money, not covered by proceeds of liquidation..... | 7 |
| Complete, or nearly complete, coverage of deposits—total | 79 |
| All deposits ³ | 46 |
| All deposits except those of officers, directors, and stockholders..... | 2 |
| Deposits, except United States government..... | 2 |
| Deposits not otherwise secured..... | 4 |
| Deposits not covered by assets or not paid from proceeds of liquidation..... | 21 |
| Deposits not covered by assets, with interest at 3 percent..... | 2 |
| Individual depositors..... | 1 |
| Depositors' losses for which bank would be responsible in law..... | 1 |
| Partial coverage of deposits—total | 30 |
| Deposits, except those for current account bearing over 2 percent interest, and time deposits bearing over 4 percent interest..... | 2 |
| Deposits bearing not over 2 percent interest, in full; 2 to 3 percent interest, 95 percent coverage; 3 to 4 percent interest, 90 percent coverage; 4 to 5 percent interest, 80 percent coverage; 5 to 6 percent interest, 70 percent coverage; over 6 percent, no coverage..... | 1 |
| Deposits not bearing interest..... | 2 |
| Non-interest bearing deposits of individuals and institutions..... | 5 |
| Individual deposits non-interest bearing and subject to check..... | 1 |
| Full coverage up to \$10,000 for each depositor; 75 percent of deposits in excess of \$10,000 up to \$50,000; 50 percent of deposits in excess of \$50,000..... | 3 |
| 50 percent of deposits..... | 4 |
| 25 percent of deposits..... | 1 |
| 25 percent of deposits, exclusive of interest bearing time deposits and deposits secured..... | 6 |
| 75 percent of time deposits..... | 2 |
| Deposits, maximum \$5,000 for each depositor..... | 2 |
| Deposits, except those bearing 4 percent interest, maximum \$5,000 for each depositor..... | 1 |

¹ Includes 5 bills which provide for both a premium and reserve fund, with coverage reduced to 90 percent if necessary to draw on reserve fund.

² 90 percent of loss paid from general guaranty fund, 10 percent assessed upon banks in redemption district in which failed bank was located.

³ Includes 3 bills with coverage of all "just claims" of depositors, and 3 bills providing for coverage as follows: deposit accounts up to \$1,000 to be paid not less than 50 percent, those over \$1,000 not less than 25 percent or \$500 whichever is greater within 60 days, balance within 1-1/2 years thereafter.

Assessments and other sources of funds. The means by which funds were to be obtained to meet the cost of deposit insurance or guaranty were diversified. Table 39 lists the various methods proposed.

Table 39. SOURCES OF FUNDS IN PROPOSALS FOR FEDERAL LEGISLATION REGARDING INSURANCE OR GUARANTY OF BANK DEPOSITS

| Source of fund | Number of bills |
|--|-----------------|
| Total number of bills | 150 |
| Cost met solely by assessment on participating banks | 71 |
| Fixed periodic assessment on total or average deposits | 32 |
| Initial or occasional assessment, or both, on total or average deposits | 1 |
| Periodic and also initial or occasional assessment on total or average deposits | 16 |
| Assessment on base other than total or average deposits ¹ | 15 |
| Assessment on total or average deposits and on other base | 7 |
| Cost met chiefly by assessment on banks, supplemented by funds from other sources² | 38 |
| Assessment on total or average deposits, and levy on Federal Reserve banks | 9 |
| Assessment on total or average deposits, and contribution from United States Government | 13 |
| Assessment on total or average deposits, levy on Federal Reserve banks, and contribution from United States Government | 7 |
| Assessment on base other than total or average deposits, and contribution from United States Government | 7 |
| Assessment on base other than total or average deposits, levy on Federal Reserve banks, and contribution from United States Government | 2 |
| Cost met without assessment (or with supplemental assessment only) on participating banks | 31 |
| Assessment on property holders | 1 |
| Assessment on bank customers, levy on Federal Reserve banks, and contribution from United States Government | 5 |
| Levy on Federal Reserve banks | 7 |
| Contribution from United States Government | 14 |
| Levy on Federal Reserve banks, and contribution from United States Government | 4 |
| Cost met solely or chiefly by surety bond premiums paid by banks | 10 |
| Surety bond requirements only | 9 |
| Surety bond requirements with portion of cost not exceeding 1 percent of deposits covered chargeable to depositor | 1 |

¹ Proposed assessment bases, other than total or average deposits, were of the following types: insured deposits, capital stock or capital and surplus, fixed sums, circulating notes (including use of existing tax on circulation as a deposit insurance premium), bonds deposited to secure circulation, redemption fund for circulating notes, and money paid to United States Treasury by national banking associations under existing laws.

² The proposals for levy on the Federal Reserve banks were of two types: payment of part or all of the net earnings of the Federal Reserve banks into the guaranty fund; and an initial levy on the surplus of the Federal Reserve banks.

The proposals for Federal government contributions were of four types: an initial contribution; contributions of amounts received from Federal Reserve banks as franchise tax; contributions of Treasury receipts from payments by commercial banks such as the tax on circulating notes, unused redemption fund for circulating notes of closed banks, interest on government deposits, and on issues of national bank credit notes; and an appropriation sufficient to meet the cost in excess of other funds.

In nearly one-half of the bills the entire cost of deposit guaranty or insurance, and in about one-fourth of the bills the major part of the cost, was to be met by assessments upon the banks. Most of the bills which provided for meeting the cost wholly or chiefly by assessments on banks levied such assessments on average total deposits or on total deposits at specified dates. Several bills provided for assessments upon bases other than total deposits: time deposits, interest bearing deposits, guaranteed deposits, capital stock, capital and surplus, circulating notes, loans and discounts, and fixed sums.

The various proposed rates of assessment on deposits are given in Table 40. In this table rates of assessment applicable to periods shorter than a year have been converted to equivalent rates per year, in order to facilitate comparison; and certain special provisions, such as use of

capital stock instead of deposits as a base of assessment in the case of new banks, have been omitted.

Table 40. RATES OF ASSESSMENT ON DEPOSITS IN PROPOSALS FOR DEPOSIT INSURANCE

| Rate of assessment | Number of bills |
|---|-----------------|
| Total number of bills | 150 |
| Not providing for assessments on deposits or depositors | 56 |
| Providing for assessment on depositors (annual rates)¹ | 4 |
| 1/4 of 1 percent..... | 2 |
| 1/5 of 1 percent..... | 2 |
| Providing for assessments on insured deposits with insurance not covering all deposits (annual rates)¹ | 5 |
| 1/8 of 1 percent (coverage 75 percent of time deposits) ² | 2 |
| 1/10 of 1 percent (coverage limited to \$5,000)..... | 3 |
| Bills providing for assessments on total or average deposits necessary to cover costs¹ | 17 |
| 3/10 of 1 percent annually, additional 1/2 of 1 percent each when necessary..... | 1 |
| Initial 5 percent, additional sufficient to maintain fund at 5 percent ³ | 1 |
| Initial 1 percent, additional sufficient to maintain fund at 1 percent ⁴ | 3 |
| Initial 1 percent, annually 1/10 of 1 percent, and additional necessary to keep fund at 1 percent..... | 1 |
| Initial 1/8 of 1 percent, additional necessary to maintain fund at \$3 million..... | 1 |
| Initial (in form of capital stock subscription) 1/2 of 1 percent, additional 1/4 of 1 percent when necessary to meet debits to fund..... | 2 |
| 1/4 of 1 percent annually subject to variation if necessary..... | 1 |
| Sufficient to pay claims (as determined by administrative authority) ⁵ | 3 |
| Rate to be established by authority administering fund ⁶ | 4 |
| Bills providing for fixed periodic assessments proportional to total or average deposits, or such assessments plus limited additional assessments (annual rates)¹ | 68 |
| 1/10 of 1 percent (for first two years 1/2 of 1 percent), additional not over 1 percent if fund is depleted..... | 7 |
| 1 percent..... | 1 |
| 1/2 of 1 percent, additional 1 percent if necessary..... | 1 |
| 1/2 of 1 percent, additional 1/2 of 1 percent if necessary..... | 1 |
| 1/20 of 1 percent, additional to total 1 percent if necessary ⁷ | 3 |
| 1/2 of 1 percent (initial 1 percent)..... | 2 |
| 1/2 of 1 percent..... | 1 |
| \$100 million in proportion to deposits (initially equivalent to about 1/3 of 1 percent) ⁸ | 4 |
| 1/4 of 1 percent for reserve fund plus 1/10 of 1 percent for premium fund..... | 5 |
| 1/4 of 1 percent..... | 9 |
| 1/4 of 1 percent on savings or interest-bearing deposits, and 1/10 of 1 percent on demand deposits (for first two years 1/2 percent of all deposits)..... | 1 |
| 1/5 of 1 percent ⁹ | 4 |
| 1/8 of 1 percent..... | 3 |
| 1/10 of 1 percent..... | 18 |
| 1/10 of 1 percent, if necessary..... | 2 |
| 1/20 of 1 percent..... | 1 |
| 1/50 of 1 percent..... | 4 |
| \$100, additional 1/50 of 1 percent if necessary..... | 1 |

¹ Rates referred to here as "annual" include equivalent annual rates in cases of semiannual or more frequent assessments. In the digest on pages 80-101 the rates are shown for the periods specified in the bills. In some of these bills levies were also made on the earnings or surplus of Federal Reserve banks; and in some the United States government made an initial appropriation for the insurance fund or appropriated to it certain government receipts from banks.

² Banks not members of Federal Reserve System assessed twice the rate on member banks.

³ This bill also provided for assessments, at the same rate, on circulating notes, and for special assessments on banks in each note redemption district to cover 1/10 of losses in that district.

⁴ In two bills these provisions apply to Federal Reserve member banks, with rates applicable to other banks to be established by the Federal Reserve Board.

⁵ In one of these bills, bonds deposited to secure circulating notes were to be pledged for security of deposits also, with assessments levied on the basis of deposits and deposited bonds if necessary.

⁶ Two of these bills provided for initial stock subscription of 1/5 of 1 percent of deposits and for coverage of individual depositors in nonparticipating banks at premium rates to be determined by the administrative authority. Another bill provided for a "reasonable" rate of assessment, with the Federal government contributing to the fund if necessary.

⁷ In these bills State and United States funds otherwise secured were exempted from assessment.

⁸ In one of these bills the rate on banks not members of the Federal Reserve System was twice the rate on member banks; in two of the bills initial assessment was twice the annual amount.

⁹ One of these bills required an initial deposit in trust of United States Government securities equal to 2 percent of deposits.

The frequency with which assessments were to be collected, and the rates of assessment, show wide variation. The specific rates range from $1/50$ of 1 percent to $1/2$ of 1 percent per year, while in a number of cases assessments were to be adjusted to meet the total cost. The most common rate was $1/10$ of 1 percent. Many of the bills provided for special initial assessments, or for assessments as needed in addition to those collected periodically.

In a number of bills assessments upon the banks were supplemented by appropriations from the United States government, or, particularly in the bills introduced in the more recent years, by levies upon the earnings or surplus of the Federal Reserve banks. In a few bills the only provision for meeting the cost of insurance or guaranty was an allocation for this purpose of part or all of the earnings of the Federal Reserve banks, and in several cases the cost was to be met solely or chiefly by the United States government. In the cases where the insurance or guaranty was in the form of purchase of surety bonds, the cost of such bonds was to be borne by the banks.

In many of the bills a maximum was placed upon the accumulation of funds by the insurance or guaranty system. In a few bills assessment rates were to be adjusted by the administrative authority and required to be sufficient to meet all losses to depositors or to maintain the fund at a given size. In some bills, the fund was authorized to borrow if necessary; and in others, to issue certificates to unpaid depositors if the fund was depleted.

Changes in bank regulation or supervision. A substantial proportion of the bills providing for deposit insurance or guaranty also provided for significant changes in the regulation or supervision of banks. These changes are summarized in Table 41.

In some of the bills insurance or guaranty of deposits was only a part of comprehensive plans for currency and bank reform. In several cases deposits of banks were limited to 10 times capital, or 10 times capital and surplus; in others, minimum capital requirements were made more stringent. A number of bills contained provisions for the issue of emergency currency or for a more elastic currency, a few authorized the United States Treasury to make advances to banks under specified conditions, and a few made changes in reserve requirements. More frequent bank examinations were specified in several of the bills, and in some of the bills Federal bank supervisory authorities were given more authority regarding chartering of banks or the issue and enforcement of regulations regarding banking practices. Maximum interest rates on deposits, and limitations or restrictions on the payment of dividends, were embodied in several bills. In a few bills repeal of the double liability of stockholders was proposed.

**Table 41. SIGNIFICANT CHANGES IN BANK REGULATION OR SUPERVISION
ACCOMPANYING PROPOSALS FOR FEDERAL INSURANCE OR
GUARANTY OF DEPOSITS**

| Character of proposed change | Number of bills |
|--|-----------------|
| Currency issue and central banking | |
| Circulating notes of national banks to be issued upon security of specified types of loans and securities and to be obligations of the United States | 1 |
| Changes made in conditions of issue of bank notes, eliminating required deposit of United States government bonds | 2 |
| Treasury notes in amount equal to the insurance fund to be issued and used for government expenses | 1 |
| Issue of currency by any financial institution or any number of persons depositing United States bonds and conforming to the Act | 2 |
| United States Treasury authorized to make advances to persons or corporations in the form of circulating notes, on approved security | 4 |
| Issue of emergency currency if necessary to pay certificates of deposit issued to depositors of closed banks | 1 |
| Comptroller of the Currency authorized to make loans to banks when deposits are suddenly withdrawn or losses exceed accumulated surplus and to appoint manager of borrowing bank | 1 |
| Increased rediscount facilities | 1 |
| Federal Reserve banks to be owned by United States | 2 |
| Reserve requirements | |
| Reserves required of banks insuring their deposits one-half that specified for other banks | 1 |
| Changes to be made in reserve requirements | 2 |
| Capital requirements | |
| Deposits of banks covered not to exceed 10 times capital | 9 |
| Deposits of banks covered not to exceed 10 times capital and surplus | 3 |
| Larger minimum capital | 2 |
| Elimination of double liability of stockholders | 2 |
| Capital of banks to consist of coin or bullion, United States bonds, State bonds if above par, and real estate mortgaged to United States | 1 |
| Interest on deposits | |
| Interest on demand deposits (except correspondent balances) prohibited and on savings and time deposits limited to 2-3/4 percent per year or to maximum established by Federal Reserve Board | 3 |
| More rigorous restrictions on payment of dividends; interest on deposits limited to 4 percent per year | 3 |
| Interest on time deposits limited to 3-1/2 percent and on demand deposits to 1 percent per year | 2 |
| Interest on time or savings deposits limited to 3 percent per year | 3 |
| Interest on time or savings deposits limited to 2-3/4 percent per year | 1 |
| Maximum interest on deposits, 2 percent per year | 1 |
| Maximum interest on deposits, 3 percent per year | 2 |
| Maximum interest on deposits, 4 percent for one year or longer, less on deposits for shorter periods, none on demand deposits | 1 |
| Maximum interest on deposits, 5 percent | 1 |
| Maximum interest on deposits, half of legal rate in respective States | 2 |
| Interest on deposits prohibited except 2 percent on government deposits | 1 |
| Bank examinations and reports | |
| Banks to be examined monthly, never over twice in year by same examiner | 1 |
| Banks to be examined every two months, never twice in year by same examiner | 1 |
| Banks to be examined four times a year by two different examiners | 1 |
| All banks covered to be examined twice a year by examiners of the Corporation administering the fund | 2 |
| Comptroller of the Currency or Federal Reserve Board to examine all banks covered at least twice a year | 1 |
| Banks to report their condition weekly to the Comptroller of the Currency | 1 |
| Equal right to examine bank given to surety companies furnishing bonds as by Comptroller of the Currency and national bank examiners | 3 |
| Insured banks not members of Federal Reserve System to be examined by Federal Reserve Board | 1 |
| Bank management and banking practices | |
| Governors of the Federal Reserve banks and Comptroller of the Currency given power to suspend bank officials for violations of laws or regulations or repeated warnings against unsound practices | 1 |
| Each director and officer of a failed bank to be imprisoned for one to ten years unless it is proved failure is not due to violation of law | 1 |
| Restrictions on salary increases, new loans and investments, and dividends when bank surplus below amount reported or government loan to bank outstanding | 1 |
| Limitation on loans | 1 |
| Federal Banking Commission created and authorized to make rules and regulations, not inconsistent with Federal Reserve and National Banking Acts, deemed necessary properly to regulate and control bank practices | 2 |
| Restrictions on and regulation of affiliates, loans to officers, and loans upon stock and bond collateral | 3 |

**Table 41. SIGNIFICANT CHANGES IN BANK REGULATION OR SUPERVISION
ACCOMPANYING PROPOSALS FOR FEDERAL INSURANCE OR
GUARANTY OF DEPOSITS—Continued**

| Character of proposed change | Number of bills |
|---|-----------------|
| Bank management and banking practices—Continued | |
| Interest on loans to be 3 percent, of which 1 percent to be paid to the United States and 2 percent to the county | 1 |
| Earnings in excess of dividends and specified additions to surplus distributed among depositors | 4 |
| Superintendent of loan department appointed by President of United States | 1 |
| Officer of each bank, nominated by directors and appointed by Secretary of Treasury, to be responsible for control and management of the bank | 1 |
| Bank chartering, ownership, and supervision | |
| Comptroller of the Currency authorized to refuse new national charters where banking facilities are already sufficient | 1 |
| Nonmembers Federal Reserve System may be required to withdraw from insurance if they fail to furnish annually certificates by State authority of their financial condition | 1 |
| Private banks permitted to operate under national banking law | 1 |
| National banks to be organized, and county comptrollers elected by vote of people in each county having a population of 5,000 or more; post offices in smaller communities to receive deposits for such banks | 1 |
| Formation of cooperative banks by not less than 200 persons, with minimum capital of \$25,000 | 5 |

The present system of deposit insurance is the joint result of Congressional action in 1933, subsequent Federal legislation, and the administrative experience of the Federal Deposit Insurance Corporation. However, its most essential features—a premium or assessment on the basis of deposits, careful examination of insured banks, maintenance of the capital funds of banks in proportion to their liabilities or total assets, assurance of adequate emergency credit to banks in difficulties, avoidance by banks of unduly risky loans and investments and other unsafe or unsound banking practices, and prompt action to protect depositors in banks which become involved in financial difficulties—were contained in earlier legislative proposals and former systems of guaranty of bank obligations used as circulating medium. The roots of the present system of deposit insurance go back more than a century prior to establishment of the Federal Deposit Insurance Corporation in 1933.

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|---|---|---|
| 1 | Jan. 11, 1886; 49th HR 3740 Price, W.T. (Wis., Rep.) | Insurance; National banks; Comptroller of the Currency | Proved claims adjusted for mutual indebtedness |
| 2 | Feb. 1, 1886; 49th HR 5023 Sawyer, J.E. (N.Y., Rep.) | Insurance; National banks; Treasurer of U.S. and Comptroller of the Currency | Deposits |
| 3 | Feb. 15, 1886; 49th HR 5683 Hutton, J.E. (Mo., Dem) | Insurance; National banks; Comptroller of the Currency | Proved claims adjusted for mutual indebtedness |
| 4 | Mar. 1, 1886; 49th HR 6240 Brumm, C.N. (Penn., Rep.) | Insurance; National banks; Comptroller of the Currency | Proved claims adjusted for mutual indebtedness |
| 5 | Jan. 4, 1888; 50th HR 1797 Brumm, C.N. (Penn., Rep.) | Same as 4 | Same as 4 |
| 6 | Dec. 10, 1891; 52nd S 581 Hiscock, F. (N.Y., Dem.) | Insurance; National banks; Secretary of the Treasury | Deposits not paid from assets |
| 7 | Mar. 23, 1892; 52nd HR 7494 Clover, B.H. (Kans., Farmers' Alliance) | U.S. guaranty; National banks organized under the Act; Comptroller of the Currency | Currency and deposits |
| 8 | Aug. 14, 1893; 53rd S 289 Hunton, E. (Va., Dem.) | U.S. guaranty; National banks; Secretary of the Treasury | Deposits thereafter made, except of officers and stockholders |
| 9 | Sept. 9, 1893; 53rd HR 1951 Babcock, J.W. (Wis., Rep.) | Insurance; National banks; Secretary of the Treasury | Depositors |
| 10 | Sept. 22, 1893; 53rd HR 3378 Bryan, Wm. J. (Neb., Dem.) | Insurance; National banks; Comptroller of the Currency | Depositors and creditors except officers, directors, and stock- holders |
| 11 | Mar. 26, 1894; 53rd HR 6438 Mercer, D.H. (Neb., Rep.) | Insurance; National banks; Secretary of the Treasury | Losses to depositors in banks placed in receivership |
| 12 | Jan. 3, 1895; 53rd S 2492 George, J.Z. (Miss., Dem.) | U.S. guaranty; National banks; Secretary of the Treasury and Comptroller of the Currency | Deposits and circulating notes |
| 13 | Jan. 5, 1897; 54th S 3478 Peffer, W.A. (Kans., Populist) | U.S. guaranty; National banks; Comptroller of the Currency | Losses to depositors for which bank would be responsible in law |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|---|---|--------------------|
| Existing duty on circulating notes (1 percent per year); unused redemption fund for notes of banks closed five years or more; maximum fund \$20,000,000 | | 1 |
| Semi-annually 1/10 of 1 percent of average deposits; maximum fund \$20,000,000 | | 2 |
| Semi-annually 1/20 of 1 percent of average monthly deposits, in lieu of all existing taxes; unused redemption fund for notes of banks closed five years or more; maximum fund \$20,000,000 | | 3 |
| Semi-annually 1/20 of 1 percent of average deposits, in lieu of existing taxes, unused redemption fund of banks closed five years or more; maximum fund \$20,000,000 | | 4 |
| Same as 4 | | 5 |
| Annually 1/10 of 1 percent of deposits, until fund sufficient in discretion of Secretary of the Treasury to guarantee deposits and reimburse government; initial U.S. appropriation \$20,000,000 from tax on circulating notes and unused redemption fund | Circulating notes, to be obligations of the United States, to be issued upon deposit of specified types of loans and securities | 6 |
| Reimbursement of government, with interest at 1 percent, by assessments of 2-1/2 percent per year upon property owners in counties where losses occur | National banks to be organized, upon vote of the people, in each county having population of 5,000 or more; county comptroller to be elected by the people; post offices in smaller communities to receive deposits for such banks; maximum interest on deposits 2 percent; interest on loans to be 3 percent, of which 1 percent to be paid to the U.S. and 2 percent to the county | 7 |
| Annually 1/4 of 1 percent of all deposits, payable monthly on deposits of that month | | 8 |
| All money paid to U.S. Treasury by national banking associations except that appropriated for expenses of the Bureau of the Currency | Banks to be examined every two months, no two examinations in any year by the same examiner | 9 |
| Annually 1/4 of 1 percent of average deposits during October-December; maximum fund \$10,000,000 | Treasury notes to be issued in amount equal to special fund, and used for government expenses, to provide against contraction of the currency | 10 |
| At end of fiscal year, all moneys paid to U.S. Treasury under existing laws regarding banking associations, except amounts appropriated to pay expenses of the Bureau of Currency and those incurred under this Act | Maximum interest on deposits 5 percent; banks to be examined four times each year by two different examiners | 11 |
| U.S. bonds deposited to secure bank notes to serve also to secure deposits; if insufficient, necessary assessment on amount of deposited bonds and deposits | Private banks as well as associations permitted to operate under the national banking law | 12 |
| Necessary Treasury appropriation | Capital of banks to consist of coin or bullion, U.S. bonds, State bonds if above par, and real estate mortgaged to U.S.; superintendent of loan department appointed by President of U.S.; banks to be examined monthly, and by the same examiner not over twice yearly; maximum interest 4 percent on deposits for one year or longer, less on deposits for shorter periods, none on demand deposits | 13 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|--|--|---|
| 14 | Mar. 15, 1897; 55th HR 50 Fowler, C.N. (N.J., Rep.) | Insurance; any bank organized under the Act; Ministers of Finance (three) | Depositors, all just claims |
| 15 | July 15, 1897; 55th HR 3820 Lewis, J.H. (Wash., Dem.) | U.S. guaranty; National banks; Secretary of the Treasury | Deposits, banks to issue to depositors certificates payable on demand at U.S. Treasury |
| 16 | July 15, 1897; 55th HR 3822 Jenkins, J. (Wis., Rep.) | U.S. guaranty; National banks; Comptroller of the Currency | General deposits |
| 17 | Jan. 5, 1898; 55th HR 5494 Jenkins, J. (Wis., Rep.) | Insurance; National banks in satisfactory condition upon examination; Secretary of the Treasury | Claims satisfactorily proved |
| 18 | Feb. 1, 1898; 55th HR 7604 Fowler, C.N. (N.J., Rep.) | Same as 14, except insurance optional with bank | Same as 14 |
| 19 | Feb. 27, 1905; 58th HR 19155 Webber, A.R. (Ohio, Rep.) | U.S. guaranty; National banks found solvent by Comptroller of the Currency; Comptroller of the Currency | All deposits, except those of officers and shareholders |
| 20 | Dec. 4, 1905; 59th HR 236 Bates, A.L. (Penn., Rep.) | Insurance; National banks; Comptroller of the Currency | Deposits not covered by proceeds of liquidation |
| 21 | Jan. 19, 1906; 59th HR 12592 Bates, A.L. (Penn., Rep.) | Same as 20 | Same as 20 |
| 22 | Feb. 14, 1906; 59th HR 14902 Bates, A.L. (Penn., Rep.) | Same as 20 | Same as 20 |
| 23 | Mar. 5, 1906; 59th HR 16225 Gronna, A.J. (N.D., Rep.) | Insurance; National banks, applicant State banks solvent and properly managed; Comptroller of the Currency | Deposits not covered by assets, with interest at 3 percent |
| 24 | Dec. 13, 1906; 59th HR 22336 Underwood, O.W. (Ala., Dem.) | Insurance; National banks; Comptroller of the Currency | Deposits and liabilities to creditors not paid from proceeds of liquidation |
| 25 | Dec. 17, 1906; 59th HR 22673 Bates, A.L. (Penn., Rep.) | Same as 20 | Deposits and obligations to creditors, excluding creditors for borrowed money, not covered by proceeds of liquidation; payment not later than two years after failure |
| 26 | Dec. 2, 1907; 60th HR 44 Candler, E.S. (Miss., Dem.) | Insurance; National banks; Comptroller of the Currency | Depositors and creditors, except officers, directors, and stockholders |
| 27 | Dec. 2, 1907; 60th HR 159 Norris, G.W. (Neb., Rep.) | Insurance; National banks; Secretary of the Treasury | Deposits not otherwise secured |
| 28 | Dec. 2, 1907; 60th HR 354 Sheppard, M. (Texas, Dem.) | Insurance; National banks; Comptroller of the Currency | Balance of claims of depositors and creditors, except for borrowed money, after partial payments from liquidation, not later than two years after failure |
| 29 | Dec. 2, 1907; 60th HR 356 Russell, G.J. (Texas, Dem.) | Insurance; National banks; Comptroller of the Currency | Depositors and creditors, except officers, directors, and stockholders |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|--|---|--------------------|
| Annually 1/2 of 1 percent (initial 1 percent) of average balance of deposits of preceding fiscal year; maximum fund 5 percent | Part of general banking and currency reform bill providing for currency issue and deposit insurance by any financial institution or any number of persons depositing U.S. bonds and conforming to Act | 14 |
| Semi-annually 1/4 of 1 percent of all deposits | | 15 |
| Necessary Treasury appropriation in form of loans at 10 percent interest to bank having a run by depositors, with all paper owned by bank as security | Banks to be examined monthly | 16 |
| Semi-annually 1/10 of 1 percent of average daily deposits and 1-1/2 percent of average amount of redemption fund for circulating notes | | 17 |
| Annually 1/2 of 1 percent (initial 1 percent) of average balance of deposits of preceding fiscal year; annual assessment to be reduced to 1/8 of 1 percent when fund exceeds 3 percent | Part of general banking and currency reform bill (same as 14); required reserves of banks insuring their deposits one-half of that specified for other banks | 18 |
| Annually maximum of 1/10 of 1 percent of all deposits; maximum fund 1/10 of 1 percent; U.S. appropriations to meet any deficiency | | 19 |
| Annually \$100; maximum fund \$6,000,000; if fund insufficient, not over two assessments per year of 1/100 of 1 percent of deposits | Maximum interest on deposits 3 percent | 20 |
| Annually \$100; maximum fund \$6,000,000 | Same as 20 | 21 |
| Annually from \$100 to \$250 depending upon amount of capital; maximum fund \$6,000,000 | | 22 |
| Annually 1 percent of capital and surplus | | 23 |
| Annually 1/50 of 1 percent of average deposits of every character; maximum fund \$10,000,000 | | 24 |
| Same as 22 | | 25 |
| Annually 1/4 of 1 percent of average deposits; maximum fund \$10,000,000 | | 26 |
| Annually 1/5 of 1 percent of average deposits (new banks 1/5 of 1 percent of capital stock); maximum fund, 2 percent of average deposits of each bank | | 27 |
| Annually 1/10 of 1 percent of average deposits; maximum fund \$36,000,000 | Deposits not to exceed 10 times capital | 28 |
| Annually 1/4 of 1 percent of average deposits; maximum fund \$10,000,000 | | 29 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|---|---|--|
| 30 | Dec. 2, 1907; 60th HR 456 Gronna, A.J. (N.D., Rep.) | Same as 23 | Same as 23 |
| 31 | Dec. 2, 1907; 60th HR 531 Underwood, O.W. (Ala., Dem.) | Same as 24 | Same as 24 |
| 32 | Dec. 2, 1907; 60th HR 3866 Bates, A.L. (Penn., Rep.) | Same as 25 | Same as 25 |
| 33 | Dec. 16, 1907; 60th HR 9153 Campbell, P.P. (Kans., Rep.) | U.S. guaranty; National banks; Secretary of the Treasury | Deposits |
| 34 | Dec. 16, 1907; 60th HR 9236 Reeder, W.A. (Kans., Rep.) | Insurance; National banks; Secretary of the Treasury | Deposits |
| 35 | Dec. 19, 1907; 60th HR 10526 Chaney, J.C. (Ind., Rep.) | Insurance; National banks; Secretary of the Treasury | Individual depositors |
| 36 | Dec. 19, 1907; 60th HR 10547 Underwood, O.W. (Ala., Dem.) | Insurance; National banks; Comptroller of the Currency | Depositors and creditors |
| 37 | Dec. 21, 1907; 60th S 2954 Raynor, I. (Md., Dem.), for Owen, R.L. (Okla., Dem.) | Insurance; National banks; Comptroller of the Currency | Depositors |
| 38 | Jan. 6, 1908; 60th HR 11780 Hinshaw, E.H. (Neb., Rep.) | Insurance; National banks; Comptroller of the Currency | Depositors and creditors |
| 39 | Jan. 6, 1908; 60th HR 11804 DeArmond, D.A. (Mo., Dem.) | Insurance; National banks; Secretary of the Treasury | Deposits |
| 40 | Jan. 7, 1908; 60th S 3028 Culberson, C.A. (Texas, Dem.) | Insurance; National banks accepting the Act; Comptroller of the Currency | Individual deposits non-interest bearing and subject to check |
| 41 | Jan. 7, 1908; 60th S 3187 Brown, N. (Neb., Rep.) | Insurance; National banks; Secretary of the Treasury | Deposits not otherwise secured |
| 42 | Jan. 8, 1908; 60th HR 12655 Fulton, E.L. (Okla., Dem.) | Insurance; National banks; Secretary of the Treasury | Deposits not paid from proceeds of liquidation |
| 43 | Jan. 8, 1908; 60th HR 12677 Fowler, C.N. (N.J., Rep.) (Reported by Banking and Currency Committee, Feb. 29, 1908) | Insurance; National banks; Comptroller of the Currency | Deposits and circulating notes, and expenses of note redemption and bank examination; 1/10 of the loss from each failure as- sessed upon banks in that note redemption district |
| 44 | Jan. 8, 1908; 60th HR 12680 Davidson, J.H. (Wis., Rep.) | Insurance; National banks, savings banks agreeing to same regulations and exami- nations as national banks; Comptroller of the Currency | Deposits with interest not over 2 percent, in full; with interest 2 to 3 percent, 95 percent; with interest 3 to 4 percent, 90 per- cent; interest 4 to 5 percent, 80 percent; interest 5 to 6 per- cent, 70 percent; interest over 6 percent, none |
| 45 | Jan. 8, 1908; 60th HR 12682 McHenry, J.G. (Penn., Dem.) | U.S. guaranty; solvent Na- tional and State banks ac- cepting terms of Act; Comptroller of the Currency | Deposits |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|---|--|--------------------|
| Annually 1/50 of 1 percent of average deposits; assessments to be suspended when Comptroller deems fund sufficient | | 30 |
| Same as 24 | | 31 |
| Annually \$100 to \$400 depending upon amount of capital; maximum fund \$6,000,000 | | 32 |
| Annually 1/10 of 1 percent of average deposits | Officers of each bank, nominated by directors and appointed by Secretary of the Treasury to be responsible for control and management of the bank and to report condition weekly to the Comptroller of the Currency | 33 |
| Interest paid by banks on all U.S. government deposits, rate not over 2 percent per year; maximum fund \$25,000,000 | | 34 |
| Annually 1/10 of 1 percent of average deposits of individuals; maximum fund \$10,000,000 | | 35 |
| Annually 1/10 of 1 percent of average deposits of every character; maximum fund \$10,000,000 | Deposits not to exceed 10 times capital and surplus; payment of interest on deposits prohibited, except 2 percent per year on government deposits | 36 |
| Sufficient to pay depositors in full, to be fixed by the Comptroller of the Currency; interest received on "special circulation fund" | U.S. Treasury authorized to issue \$100,000,000 in circulating notes, to be kept as a "special circulation fund" and advanced to any person or corporation, at 6 to 8 percent interest, on approved security | 37 |
| Annually 1/20 of 1 percent of average deposits; maximum fund \$10,000,000 | Deposits not to exceed 10 times capital and surplus | 38 |
| Annually 1/8 of 1 percent of total deposits | | 39 |
| Necessary assessment, whenever a bank fails, prorated according to capital and surplus | | 40 |
| Annually 1/10 of 1 percent of average deposits; maximum fund 2 percent of deposits of each bank | | 41 |
| Initial assessment 1/8 of 1 percent of average daily individual deposits (new banks 1 percent of capital); additional assessments to maintain fund at \$3,000,000 | Deposits not to exceed 10 times capital and surplus | 42 |
| Initial assessment 5 percent of all deposits and note issues; semi-annual assessments to maintain this amount; special assessments upon banks in note redemption districts to cover 1/10 of losses in such districts; interest paid by national banks on government deposits and interest on circulating notes, each at 2 percent | Changes to be made in reserve requirements, and in conditions of issue of circulating notes (deposit of government bonds not required); guaranty fund in excess of \$25,000,000 to be used to retire United States notes | 43 |
| For reserve fund, initial assessment 1 percent of deposits, adjusted annually to keep fund at this figure. For premium fund, annually 1/10 of 1 percent of average deposits (new banks, 1 percent of capital); and 1 percent (existing tax) on circulating notes | Deposits not to exceed 10 times capital; Comptroller of the Currency authorized to refuse new national charters where banking facilities already sufficient | 44 |
| Semi-annually 1/10 of 1 percent of capital stock, additional as and when needed; interest on loans to banks; maximum fund \$10,000,000 | Comptroller may make loan at 6 percent to banks when losses exceed accumulated surplus or deposits are suddenly withdrawn, and appoint manager of borrowing bank; restrictions on salary increases, new loans and investments, and dividends when surplus below amount reported or while government loan outstanding | 45 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|---|--|--|
| 46 | Jan. 9, 1908; 60th S 3023 Amendment Nelson, K. (Minn., Rep.) | Insurance; National banks; Secretary of the Treasury | Depositors, except U.S. government |
| 47 | Jan. 14, 1908; 60th HR 13646 Adair, J.A. (Ind., Dem.) | Insurance; National banks; Comptroller of the Currency | Deposits and creditors except officers, directors, and stock- holders |
| 48 | Jan. 15, 1908; 60th S 3988 Owen, R.L. (Okla., Dem.) | Insurance; National banks; Comptroller of the Currency | Deposits, excluding current ac- counts bearing over 2 percent and time deposits bearing over 4 percent interest |
| 49 | Jan. 27, 1908; 60th HR 15238 Bates, A.L. (Penn., Rep.) | Same as 25 | Same as 25 |
| 50 | Jan. 27, 1908; 60th S 4486 Gore, T.P. (Okla., Dem.) | Insurance; National banks; Comptroller of the Currency | Deposits and creditors except officers, directors, and stock- holders |
| 51 | Jan. 30, 1908; 60th HR 15860 Crawford, W.T. (N.C., Dem.) | U.S. guaranty; National banks and all banks under State charter, including private banks; Comptroller of the Currency | Depositors |
| 52 | Feb. 7, 1908; 60th HR 16730 Williams, J.S. (Miss., Dem.) | Insurance; National and State banks accepting conditions of Act; Secretary of the Treasury | Deposits not paid from proceeds of liquidation |
| 53 | Feb. 12, 1908; 60th S 3023 Amendment Owen, R.L. (Okla., Dem.) | Insurance; National banks; Comptroller of the Currency | Deposits, excluding interest- bearing |
| 54 | Feb. 17, 1908; 60th S 3023 Amendment Brown, N. (Neb., Rep.) | Insurance; National banks; Secretary of the Treasury | Deposits |
| 55 | Mar. 11, 1908; 60th S 3023 Amendment McCumber, P. J. (N.D., Rep.) | Insurance; National banks; Comptroller of the Currency | Deposits not covered by proceeds of liquidation |
| 56 | Mar. 13, 1908; 60th S 3023 Amendment Nelson, K. (Minn., Rep.) | Same as 46 | Same as 46 |
| 57 | Mar. 16, 1908; 60th HR 19362 Bates, A.L. (Penn., Rep.) | Same as 25 | Same as 25 |
| 58 | Mar. 25, 1908; 60th S 3023 Amendment Owen, R.L. (Okla., Dem.) | Same as 53 | Same as 53 |
| 59 | Mar. 18, 1909; 61st HR 2140 Sheppard, M. (Texas, Dem.) | Same as 28 | Same as 28 |
| 60 | Mar. 24, 1909; 61st HR 4322 DeArmond, D.A. (Mo., Dem.) | Same as 39 | Same as 39 |
| 61 | May 3, 1909; 61st HR 9148 Underwood, O.W. (Ala., Dem.) | Same as 36 | Same as 36 |
| 62 | July 9, 1909; 61st HR 11397 Candler, E.S. (Miss., Dem.) | Same as 26 | Same as 26 |
| 63 | Dec. 10, 1909; 61st HR 13887 Russell, G.J. (Texas, Dem.) | Same as 29 | Same as 29 |
| 64 | Feb. 28, 1910; 61st HR 22000 Rucker, A.W. (Colo., Dem.) | Insurance; National banks, State banks under condi- tions prescribed by Com- ptroller of the Currency; Comptroller of the Currency | Deposits, except time deposits paying over 4 percent and de- mand deposits paying over 2 percent interest |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|--|---|--------------------|
| One-third of taxes paid on circulating notes; maximum fund \$10,000,000 | | 46 |
| Annually 1/10 of 1 percent of average deposits; maximum fund \$5,000,000 | | 47 |
| Same as 37 | Same as 37 | 48 |
| Same as 32 | Maximum interest on deposits half of legal rate in State in which located | 49 |
| Annually 1/4 of 1 percent of average deposits; maximum fund \$10,000,000 | | 50 |
| Annually 1 percent on average deposits and capital stock, for four years | Circulating notes to be issued only on basis of gold and silver, or, if this is inadequate, State and local government securities; each director and officer of a failed bank to be imprisoned for one to ten years unless it is proved that failure is not due to violation of law | 51 |
| Semi-annually 1/16 of 1 percent of average deposits; maximum fund \$15,000,000 | Change in reserve requirements; limitations on loans | 52 |
| Tax on circulation of national banks; interest on "circulation fund"; if necessary, assessment on average deposits not over 1/10 of 1 percent per year | Same as 37, except Treasury note issue to be \$500,000,000 | 53 |
| Interest paid by national banks on U.S. deposits at 2 percent per year | | 54 |
| Annually 1/50 of 1 percent of average deposits; maximum fund, judgment of Comptroller of the Currency | | 55 |
| Same as 46 | | 56 |
| Same as 32 | Same as 49 | 57 |
| Same as 53 | Same as 53 | 58 |
| Same as 28 | Same as 28 | 59 |
| Same as 39 | | 60 |
| Same as 36 | | 61 |
| Same as 26 | | 62 |
| Same as 29 | | 63 |
| Existing tax (1 percent per year) on circulating notes of national banks; assessments on State banks prescribed by Comptroller of the Currency | | 64 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|---|--|--|
| 65 | June 16, 1910; 61st S 8723 Jones, W.L. (Wash., Rep.) | U.S. guaranty; National banks; Secretary of the Treasury | Depositors; in form of U.S. certificates of deposit payable upon endorsement |
| 66 | July 26, 1911; 62nd HR 12836 Candler, E.S. (Miss., Dem.) | Same as 26 | Same as 26 |
| 67 | Dec. 12, 1911; 62nd HR 15454 Sheppard, M. (Texas, Dem.) | Same as 28 | Same as 28 |
| 68 | Nov. 10, 1913; 63rd S Amendment to HR 7837 Williams, J.S. (Miss., Dem.) | Insurance; National banks; Comptroller of the Currency | Liabilities, excluding circulation U.S. deposits, reduced to 90 percent if necessary to draw on reserve fund |
| 69 | Nov. 25, 1913; 63rd S Amendment to HR 7837 Hitchcock, G.N. (Neb., Dem.) | Insurance; members Federal Reserve System; Federal Reserve Board | Deposits |
| 70 | Dec. 1, 1913; 63rd S Amendment to HR 7837 Owen, R.L. (Okla., Dem.) | Insurance; National banks; Secretary of the Treasury | Deposits |
| 71 | Dec. 18, 1913; 63rd S Amendment to HR 7837 Owen, R.L. (Okla., Dem.) (Passed by Senate, Dec. 19, 1913) | Insurance; members Federal Reserve System; Secretary of the Treasury | Deposits |
| 72 | Dec. 23, 1913; 63rd S 8867 Williams, J.S. (Miss., Dem.) | Same as 68 | Same as 68 |
| 73 | Jan. 16, 1914; 63rd HR 11744 Kinkaid, M.P. (Neb., Rep.) | Insurance; National banks; Secretary of the Treasury | Deposits |
| 74 | Mar. 10, 1914; 63rd S 4844 Owen, R.L. (Okla., Dem.) | Insurance; members Federal Reserve System; Federal Reserve Board | Liabilities, except circulation and U.S. deposits |
| 75 | Sept. 12, 1914; 63rd HR 18763 Barton, S.R. (Neb., Rep.) | Insurance; members Federal Reserve System; Secretary of the Treasury | Deposits |
| 76 | Dec. 6, 1915; 64th HR 771 Kinkaid, M.P. (Neb., Rep.) | Same as 73 | Same as 73 |
| 77 | Dec. 7, 1915; 64th S 456 Williams, J.S. (Miss., Dem.) | Same as 68 | Same as 68 |
| 78 | Dec. 10, 1915; 64th S 1408 Owen, R.L. (Okla., Dem.) | Same as 74 | Same as 74 |
| 79 | April 4, 1917; 65th S 9 Owen, R.L. (Okla., Dem.) | Same as 74 | Same as 74 |
| 80 | April 6, 1917; 65th S 742 Williams, J.S. (Miss., Dem.) | Same as 68 | Same as 68 |
| 81 | Feb. 18, 1918; 65th HR 9968 Shouse, J. (Kans., Dem.) | U.S. guaranty; National banks; Comptroller of the Currency | Deposits, maximum \$5,000 to any one depositor |
| 82 | Feb. 18, 1918; 65th S 3909 Owen, R.L. (Okla., Dem.) | Same as 81 | Same as 81 |
| 83 | April 23, 1918; 65th S 4426 Shaforth, J.F. (Colo., Rep.) | U.S. guaranty; National banks; Comptroller of the Currency | Deposits, maximum \$5,000 to any one depositor, except those bearing over 4 percent interest |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|---|---|--------------------|
| Necessary assessment, upon liquidation of a failed bank, on basis of average loans and discounts for preceding year | Revision of entire law relating to national banks; issue of emergency currency by government if necessary; public works program in case of a great national business depression | 65 |
| Same as 26 | | 66 |
| Same as 28 | Same as 28 | 67 |
| Annually 1/10 of 1 percent of total deposits for premium fund, plus 1/4 of 1 percent for reserve fund to be adjusted by the Comptroller of the Currency to deposits; initial assessment for reserve fund 1/2 of 1 percent (bank with deposits less than capital, 1 percent of capital for reserve fund and 1/10 of 1 percent of capital for premium fund) | Deposits of a bank limited to 10 times its capital | 68 |
| 37-1/2 percent of net earnings of Federal Reserve banks, after 5 percent dividend to stockholders; maximum fund set by Federal Reserve Board | | 69 |
| 1/4 of net earnings of Federal Reserve banks, after 6 percent dividend to stockholders | | 70 |
| Same as 70 | | 71 |
| Same as 68 | Same as 68 | 72 |
| Interest received on U.S. Government deposits, reducible after 3 years to one-half of such interest if fund is deemed sufficient by Secretary of the Treasury | | 73 |
| Proceeds of tax on national bank circulation (1 percent) to maximum of 1 percent of deposits in member banks | | 74 |
| 3/8 of net earnings of Federal Reserve banks after 6 percent dividend to stockholders | | 75 |
| Same as 73 | | 76 |
| Same as 68 | Same as 68 | 77 |
| Same as 74 | | 78 |
| Same as 74 | | 79 |
| Same as 68 | Same as 68 | 80 |
| Annually 1/10 of 1 percent of aggregate guaranteed deposits; necessary Treasury appropriation | | 81 |
| Same as 81 | | 82 |
| Annually 1/10 of 1 percent of aggregate guaranteed deposits; necessary Treasury appropriation | | 83 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933--Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|---|---|---|
| 84 | May 26, 1919; 66th S 757 Williams, J.S. (Miss., Dem.) | Same as 68 | Same as 68 |
| 85 | May 26, 1919; 66th S 800 Owen, R.L. (Okla., Dem.) | Same as 74 | Same as 74 |
| 86 | Dec. 13, 1920; 66th HR 15012 McClintic, J.V. (Okla., Dem.) | Insurance; National banks members of F.R. System; Comptroller of the Currency | Non-interest bearing deposits of individuals and institutions |
| 87 | April 11, 1921; 67th HR 2174 McClintic, J.V. (Okla., Dem.) | Insurance; National banks members of F.R. System in Reserve districts establishing funds upon vote of majority of said banks; Comptroller of the Currency | Non-interest bearing deposits of individuals and institutions |
| 88 | Sept. 16, 1922; 67th HR 12659 Smith, A.T. (Idaho, Rep.) | Same as 87 | Same as 87 |
| 89 | Feb. 3, 1923; 67th S 4475 Brookhart, S.W. (Iowa, Rep.) | Insurance; cooperative national banks; Cooperative reserve bank (after establishment of 1,000 banks); Treasurer of U.S. (temporarily) | Total deposits |
| 90 | Dec. 5, 1923; 68th HR 84 McClintic, J.V. (Okla., Dem.) | Same as 87 | Same as 87 |
| 91 | Jan. 1, 1924; 68th S 2063 Brookhart, S.W. (Iowa, Rep.) | Same as 89 | Same as 89 |
| 92 | Mar. 1, 1924; 68th S Res. 182 Jones, A.A. (N.M., Rep.) | Insurance; members Federal Reserve System; Not specified | Just claims of depositors |
| 93 | Mar. 10, 1924; 68th HR 7794 Thomas, E. (Okla., Dem.) | Insurance; members Federal Reserve System; Federal Reserve Board | Deposits |
| 94 | Apr. 30, 1924; 68th HR 8977 Doyle, T.A. (Ill., Dem.) | Guaranty of surety company; National banks; Treasurer of U.S. | Deposits |
| 95 | Feb. 9, 1925; 68th HR 12221 Steagall, H.S. (Ala., Dem.) | Insurance; members Federal Reserve System; Secretary of the Treasury | Balance unpaid to depositors after bank is liquidated |
| 96 | Dec. 14, 1925; 69th HR 5406 Hastings, W.W. (Okla., Dem.) | Guaranty of surety company; National banks and State banks members F.R. System; Treasurer of U.S. | 25 percent of deposits |
| 97 | Mar. 6, 1926; 69th HR 10085 Thomas, E. (Okla., Dem.) | Insurance; National banks and State banks members Federal Reserve System; Comptroller of the Currency | Any claims for losses occasioned by a bank failure |
| 98 | Mar. 23, 1926; 69th HR 10602 Steagall, H.S. (Ala., Dem.) | Same as 95 | Same as 95 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|--|---|--------------------|
| Same as 68 | Same as 68 | 84 |
| Same as 74 | | 85 |
| Annually 1/2 of 1 percent of average deposits excluding State and U.S. funds otherwise secured, plus an additional 1 percent per year if necessary; new banks 2 percent of capital to be adjusted to deposits later; 10 percent of net earnings of F.R. banks after dividends | | 86 |
| Annually 1/20 of 1 percent of average daily and time deposits, excluding State and U.S. funds otherwise secured in districts establishing funds, subject to increase to 1 percent if necessary and to reduction if fund is deemed sufficient; new banks 1/2 of 1 percent of capital to be adjusted to deposits later; 10 percent of net earnings of Federal Reserve banks after dividends; initial levy upon surplus of all F.R. banks sufficient to provide \$1,000,000 for each fund established | | 87 |
| Same as 87 | | 88 |
| Annually 1/10 of 1 percent of total deposits; maximum fund, 3 percent of total deposits | Formation of cooperative national banks by not less than 200 persons; minimum capital \$15,000; dividends on capital limited; earnings in excess of dividends and specified additions to surplus to be distributed among depositors and borrowers | 89 |
| Same as 87 | | 90 |
| Same as 89 | Same as 89 | 91 |
| Surplus and current net earnings of the Federal Reserve banking system | Committee on Banking and Currency instructed to prepare a bill | 92 |
| Annually net earnings of Federal Reserve banks equal to 3/10,000 of 1 percent of individual unsecured deposits bearing not over 3 percent interest and not exceeding \$5,000 for each depositor; maximum fund 1/2 of 1 percent of individual deposits with same limitations | | 93 |
| Banks required to purchase surety bonds equal to aggregate deposits (new banks, equal to capital) from companies found financially responsible by Treasurer of the U.S. | Each surety company to have same right to examine banks covered as Comptroller of the Currency and national bank examiners | 94 |
| Net earnings of Federal Reserve banks paid to U.S. | | 95 |
| Banks required to purchase surety bonds equal to 25 percent of deposits (new banks, capital); companies to be approved as to financial responsibility by the Treasurer of U.S. | Company furnishing bond to have right to examine bank as Comptroller of the Currency, national bank examiners, and State bank examiners | 96 |
| U.S. Treasury appropriation \$10,000,000 to be retired when bank deposit insurance fund reaches \$25,000,000; reasonable premiums by insured banks to be determined by Comptroller of the Currency | | 97 |
| Same as 95 | | 98 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|--|--|---|
| 99 | Dec. 6, 1926; 69th HR 13466 Brand, C. H. (Ga., Dem.) | Insurance, in effect U.S. guaranty; members F.R. System except banks under State deposit insurance laws; Federal Reserve Board | Deposits not paid from proceeds of liquidation; fund may be used before assets are exhausted, if they are believed insufficient |
| 100 | Dec. 6, 1926; 69th HR 13501 Howard, E. (Neb., Dem.) | Insurance; National banks; Comptroller of the Currency | Claims of depositors |
| 101 | Dec. 11, 1926; 69th HR 14921 Brand, C.H. (Ga., Dem.) | Same as 99 | Deposits; immediate payment of part estimated not recoverable from assets, with adjustment on final settlement |
| 102 | Dec. 5, 1927; 70th HR 5572 Hastings, W.W. (Okla., Dem.) | Guaranty of surety company; National banks and State banks members F.R. System; Treasurer of United States | 25 percent of deposits, excluding deposits otherwise secured and interest-bearing time deposits |
| 103 | Dec. 5, 1927; 70th HR 5576 Howard, E. (Neb., Dem.) | Same as 100 | Same as 100 |
| 104 | Dec. 13, 1927; 70th HR 7187 Brand, C.H. (Ga., Dem.) | Same as 99 | Same as 101 |
| 105 | Feb. 16, 1928; 70th HR 11066 Hastings, W.W. (Okla., Dem.) | Same as 102 | Same as 102 |
| 106 | Feb. 20, 1928; 70th HR 11199 Hastings, W.W. (Okla., Dem.) | Guaranty of surety company; National banks and State banks members F.R. System; Secretary of the Treasury | 25 percent of deposits, excluding deposits otherwise secured and interest-bearing time deposits |
| 107 | May 26, 1928; 70th HR 14058 Steagall, H.S. (Ala., Dem.) | Same as 95 | Same as 95 |
| 108 | Apr. 15, 1929; 71st HR 227 Howard, E. (Neb., Dem.) | Same as 100 | Same as 100 |
| 109 | Dec. 12, 1929; 71st HR 7381 Brand, C.H. (Ga., Dem.) | Same as 99 | Same as 101 |
| 110 | Jan. 6, 1930; 71st S 2848 Brookhart, S.W. (Iowa, Rep.) | Insurance; Federal cooperative banks; Federal Farm Board | Total deposits |
| 111 | Mar. 26, 1930; 71st HR 11147 Steagall, H.S. (Ala., Dem.) | Same as 95 | Same as 95 |
| 112 | June 12, 1930; 71st HR 12924 Hastings, W.W. (Okla., Dem.) | Same as 106 | Same as 106 |
| 113 | Jan. 10, 1931; 71st HR 16038 Hare, B.B. (S.C., Dem.) | Insurance; members F.R. System; Federal Reserve Board | 50 percent of deposits |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|---|--|--------------------|
| Initial U.S. government appropriation of \$50,000,000, and subsequent appropriations necessary to maintain fund at \$25,000,000; after 6 percent dividend has been paid to stockholders, 90 percent of net earnings of Federal Reserve banks after surplus equals capital until fund equals \$75,000,000 | | 99 |
| Semi-annually 1/20 of 1 percent (1/4 of 1 percent for two years) of average daily deposits, with additional assessments not over 1 percent per year if fund is depleted below 1 percent; new banks 4 percent of capital to be adjusted to deposits later | | 100 |
| Same as 99 | | 101 |
| Banks required to purchase surety bonds equal to guaranteed deposits (new banks, capital) from companies approved as to financial responsibility by the Treasurer of U.S.; or in lieu of above requirements bank, with approval of Comptroller of Currency, may deposit with Federal Reserve bank of its district Federal, State, county or municipal bonds to amount of bond required by the Act | | 102 |
| Same as 100 | | 103 |
| Same as 99 | | 104 |
| Banks required to purchase surety bonds equal to guaranteed deposits (new banks, capital) from companies approved as to financial responsibility by Treasurer of the United States | | 105 |
| Banks required to purchase surety bonds equal to guaranteed deposits (new banks, capital) from companies approved as to financial responsibility by Secretary of the Treasury | | 106 |
| Same as 95 | | 107 |
| Same as 100 | | 108 |
| Same as 99 | | 109 |
| Annually 1/10 of 1 percent of total deposits; maximum fund, 3 percent of total deposits | Formation of Federal cooperative banks by not less than 200 persons (50 persons if organized as stock corporations); minimum capital \$25,000; dividends on capital limited; earnings in excess of dividends and specified additions to surplus to be distributed among depositors and borrowers | 110 |
| Same as 95 | | 111 |
| Same as 106 | | 112 |
| Net earnings derived by U.S. from Federal Reserve banks to extent deemed necessary; and additional appropriations if necessary not exceeding amount previously received from net earnings of F.R. banks | | 113 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|---|--|--|
| 114 | Feb. 28, 1931; 71st HR 17324 Ramspeck, R. (Ga., Dem.) | Insurance (fund in each F.R. district); members F.R. System in each district in which guaranty fund has reached maximum prescribed by F.R. Board; Federal Reserve Board | Deposits |
| 115 | Dec. 8, 1931; 72nd HR 313 Howard, E. (Neb., Dem.) | Same as 100 | Same as 100 |
| 116 | Dec. 8, 1931; 72nd HR 4512 Beam, H.P. (Ill., Dem.) | Guaranty of surety company; National banks; Treasurer of the United States | Total deposits |
| 117 | Dec. 8, 1931; 72nd HR 4572 Hastings, W.W. (Okla., Dem.) | Same as 106 | Same as 106 |
| 118 | Dec. 9, 1931; 72nd HR 5125 Hare, B.B. (S.C., Dem.) | Same as 113 | Same as 113 |
| 119 | Dec. 9, 1931; 72nd S 126 Brookhart, S.W. (Iowa, Rep.) | Same as 110 | Same as 110 |
| 120 | Dec. 17, 1931; 72nd HR 6181 Lamneck, A.P. (Ohio, Dem.) | Insurance; members F.R. System; F.R. banks under supervision F.R. Board | Deposits; immediate payment of part estimated not recoverable from assets, with adjustment upon final settlement |
| 121 | Jan. 4, 1932; 72nd HR 6705 LaGuardia, F.H. (N.Y., Rep.) | Insurance (fund in each F.R. district); all members F.R. System, members of State funds having privilege of withdrawal; Federal Reserve banks under supervision of F.R. Board | Deposits, fund to pay or advance to liquidating officer estimated amount by which assets are insufficient |
| 122 | Jan. 26, 1932; 72nd S 3324 Lewis, J.H. (Ill., Dem.) | U.S. guaranty; National banks and State banks members F.R. System; Bureau of Insurance organized by Treasury Department | Deposits |
| 123 | Feb. 8, 1932; 72nd HR 8989 Shallenberger, A.C. (Neb., Dem.) | Insurance (fund in each F.R. district); members F.R. System; Federal Reserve banks under supervision F.R. Board | Deposits, fund to pay or advance to liquidating officer estimated amount by which assets are insufficient |
| 124 | Feb. 20, 1932; 72nd HR 9594 Jenkins, T.A. (Ohio, Rep.) | Same as 123 | Same as 123 |
| 125 | Feb. 26, 1932; 72nd S 3326 Fletcher, D.U. (Fla., Dem.) | U.S. guaranty; all members F.R. System certified as to apparent solvency by Comptroller of the Currency; Treasurer of the United States | Unsecured deposits |
| 126 | Mar. 2, 1932; 72nd HR 10040 Disney, W.E. (Okla., Dem.) | Insurance, in part underwritten by U.S. government; members F.R. System; Federal Reserve Board | Deposits |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|---|---|--------------------|
| 90 percent of earnings of F.R. banks after surplus equals subscribed capital; maximum fund prescribed by Federal Reserve Board | | 114 |
| Same as 100 | | 115 |
| Banks required to purchase surety bonds equal to total deposits (new banks, capital) | Company furnishing bond to have right to examine bank to same extent as Comptroller of the Currency and national bank examiners | 116 |
| Same as 106 | | 117 |
| Same as 113 | | 118 |
| Same as 110 | Same as 110 | 119 |
| Quarterly 75 cents (initial assessment \$3) for each \$1,000 of average daily deposits; additional assessments when necessary not over \$5 per \$1,000 of deposits | | 120 |
| Semi-annually 1/20 of 1 percent (1/4 of 1 percent for two years) of average deposits; new banks 4 percent of capital to be adjusted later | | 121 |
| Premium to be established by Bureau of Insurance, and such further levies on banks or U.S. Treasury as may be necessary | | 122 |
| Semi-annually 1/20 of 1 percent of average demand deposits and 1/8 of 1 percent of average savings or interest bearing deposits (for two years, 1/4 of 1 percent of all deposits); new banks 4 percent of capital to be adjusted later; 1/2 of earnings of Federal Reserve banks after dividends | Maximum rate of interest on savings or other time deposits 2-3/4 percent per year | 123 |
| Semi-annually 1/20 of 1 percent (1/4 of 1 percent for two years) of average deposits; new banks 4 percent of capital to be adjusted later; additional assessment not over 1 percent per year if fund is depleted below 1 percent of deposits | | 124 |
| Initial assessment 5 percent of capital stock, to be deposited and maintained with the U.S. Treasury; Treasury to advance and credit guaranty fund with any additional sums necessary | Comptroller of the Currency to examine all members of F.R. System at least twice a year | 125 |
| Quarterly 50 cents per \$1,000 of deposits; initial deposit in trust of U.S. securities equal to 2 percent of deposits; all future earnings of F.R. banks; U.S. appropriation of amount received as franchise tax from Federal Reserve banks, and guarantee against loss of principal up to \$100,000,000 | Minimum capital requirements raised; increased rediscounting facilities; Governor of Reserve bank and Comptroller of the Currency to have power to suspend any official of a member bank for violation of laws, regulations or repeated warnings against unsound practices; failed banks liquidated by receiver nominated by Federal Reserve bank | 126 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|---|--|--|
| 127 | Mar. 5, 1932; 72nd HR 10201 Cable, J.L. (Ohio, Rep.) | Insurance; members F.R. System, other applicant banks and building and loan associations found solvent with privilege of withdrawal on 12 months' notice, and depositors of banks not participating; Federal Guaranty and Insurance Corporation | 50 ⁷ percent of deposits, payment to receiver of closed banks; additional loans to receivers, in such amounts as may be safely loaned after appraisal of assets |
| 128 | Mar. 7, 1932; 72nd S 3971 Fess, S.D. (Ohio, Rep.) | Same as 127 | Same as 127 |
| 129 | Mar. 7, 1932; 72nd HR 10241 Steagall, H.B. (Ala., Dem.) | Insurance; members F.R. System; Federal Bank Liquidating Board | Deposits; accounts up to \$1,000 to be paid not less than 50 percent, those over \$1,000 not less than 25 percent or \$500 whichever is greater, within 60 days; balance within 1-1/2 years thereafter |
| 130 | Mar. 7, 1932; 72nd HR 10242 McClintic, J.V. (Okla., Dem.) | Insurance; National banks members F.R. System; Comptroller of the Currency | Non-interest bearing deposits of individuals and institutions |
| 131 | Mar. 21, 1932; 72nd HR 10706 Taylor, J.W. (Tenn., Rep.) | U.S. guaranty; members F.R. System, with all banks of deposit required to become members; Federal Banking Commission | Deposits |
| 132 | Apr. 13, 1932; 72nd HR 11340 Strong, J.G. (Kans., Rep.) | Guaranty by surety company; National banks; Comptroller of the Currency | Deposits not specially secured 1/4 within 60 days, 1/4 within 120 days, 1/4 within 210 days, and final 1/4 within 1 year |
| 133 | Apr. 14, 1932; 72nd HR 11362 Steagall, H.B. (Ala., Dem.) (Passed House of Representatives May 27, 1932, amended to make banks not members F.R. System eligible on certification of sound condition by State examining authority, and assessment rate for banks not members F.R. System same as for members) | Insurance; members F.R. System, other banks with capital and surplus not less than \$25,000 found by Board's examination to be in sound financial condition; Federal Bank Liquidating Board | Deposits; accounts up to \$1,000 to be paid not less than 50 percent, those over \$1,000 not less than 25 percent or \$500 whichever is greater, within 90 days; balance within 1-1/2 years thereafter |
| 134 | May 21, 1932; 72nd S 4725 Fletcher, D.U. (Fla., Dem.) | Insurance; National banks and State banks members F.R. System, other applicant banks with total capital account of \$25,000 or more which maintain satisfactory condition and management; Guarantee Board | Deposits |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|--|---|--------------------|
| Annual assessment on basis of daily deposits at rate determined by Corporation; stock subscriptions by participating banks and by Federal Reserve banks 1/5 of 1 percent of average deposits during latter half of 1931; premium by guaranteed depositors in non-participating banks at rate determined by Corporation | All stockholder banks to be examined twice a year by examiners of the Corporation | 127 |
| Same as 127 | Same as 127 | 128 |
| Annual assessments not over \$100,000,000 distributed in proportion to deposits; initial assessment not to exceed \$130,000,000 in proportion to deposits other than time and \$70,000,000 in proportion to time deposits; initial levy on F.R. banks \$150,000,000 in proportion to surplus; U.S. appropriation of amount received as franchise tax from F.R. banks; 45 percent of net earnings of F.R. banks after dividends; if fund exceeds adequate amount excess may be refunded | Minimum capital requirements increased; interest on deposits limited to 4 percent; further restrictions on payment of dividends | 129 |
| Annually 1/2 of 1 percent of average deposits, excluding State and U.S. funds otherwise secured, plus an additional 1/2 of 1 percent per year if necessary; new banks 1 percent of capital to be adjusted later; all net earnings of F.R. banks after dividends | | 130 |
| Annually 1/4 of 1 percent from all depositors and borrowers, except U.S. and political subdivisions; if necessary on banks annually 1/4 of 1 percent of net deposits; net earnings of F.R. banks above surplus requirements; U.S. appropriation if foregoing funds are insufficient | Interest on demand deposits except correspondent balances, prohibited and interest on savings and time deposits limited to 2-3/4 percent per year; payment of dividends by banks and F.R. bank restricted; Federal Banking Commission authorized to make rules and regulations, not inconsistent with Federal Reserve and national banking acts, deemed necessary properly to regulate and control banking practices; double liability of stockholders repealed; Federal Reserve banks to be owned by the United States | 131 |
| Banks required to purchase surety bonds equal to total deposits (new banks, equal to capital); bonds to be filed with Comptroller of the Currency; portion of cost, not to exceed 1/10 of 1 percent of deposits covered, may be charged by each bank to its depositors | | 132 |
| Annual assessment on member banks not over \$100,000,000 distributed in proportion to deposits; assessment on banks not members of the F.R. System twice that on member banks; initial levy on F.R. banks \$150,000,000 in proportion to surplus; 45 percent of net earnings of F.R. banks after dividends; U.S. appropriation of amount received as franchise tax from F.R. banks; if fund exceeds \$500,000,000 excess may be refunded | Banks members F.R. System not to pay over 4 percent interest on deposits, and dividends restricted; banks not members of the F.R. System to be examined by Board; failed national banks to be liquidated by Board | 133 |
| Quarterly assessments upon each depositor at 5 cents for each \$100, or less, of average deposits; rate subject to reduction by board if fund reaches \$300,000,000; U.S. appropriation of franchise tax previously received and to be received in the future, from F.R. banks; subject to call of guarantee board, \$100,000,000 from surplus of F.R. banks | Except for savings banks, interest on time deposits limited to 3-1/2 percent, and on demand deposits to 1 percent per year | 134 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|--|---|--|
| 135 | Dec. 23, 1932; 72nd S 5291 Vandenberg, A.H. (Mich., Rep.) | Insurance; members F.R. System, other applicant State banks approved by directors; Board of Directors composed of F.R. Board members | 75 percent of time deposits |
| 136 | Mar. 9, 1933; 73rd HR 137 Jenkins, T.A. (Ohio, Rep.) | Same as 124 | Same as 124 |
| 137 | Mar. 9, 1933; 73rd HR 1562 Taylor, J.W. (Tenn., Rep.) | Same as 131 | Same as 131 |
| 138 | Mar. 10, 1933; 73rd S 21 Vandenberg, A.H. (Mich., Rep.) | Same as 135 | Same as 135 |
| 139 | Mar. 10, 1933; 73rd S 75 McDoo, W.G. (Calif., Dem.) | Insurance; members F.R. System, other banks complying with requirements of Board; Federal Reserve Board | Liabilities except circulation, U.S. deposits, and other secured public deposits |
| 140 | Mar. 11, 1933; 73rd S 301 Fletcher, D.U. (Fla., Dem.) | Same as 134 | Same as 134 |
| 141 | Mar. 14, 1933; 73rd HR 3359 Hastings, W.W. (Okla., Dem.) | Same as 106 | Same as 106 |
| 142 | Mar. 14, 1933; 73rd HR 3369 Johnson, L.A. (Texas, Dem.) | Insurance; members F.R. System, other banks certified by State authority to be in sound financial condition; Federal Bank Liquidating Board | Same as 133 |
| 143 | Mar. 15, 1933; 73rd HR 3515 Whitley, J.L. (N.Y., Rep.) | Insurance; any applicant national or State bank certified as sound by Secretary of Treasury or State banking authority, respectively, and approved by the Board; Federal Bank Liquidating Board | Deposits, payable as soon as practicable, not over 1 year after necessary information is provided by report of committee appraising assets |
| 144 | Mar. 16, 1933; 73rd HR 3669 Church, D.S. (Calif., Dem.) | Same as 139 | Same as 139 |
| 145 | Mar. 17, 1933; 73rd HR 3758 Shallenberger, A.C. (Neb., Dem.) | Insurance; members F.R. System; Comptroller of the Currency | All deposits, by payment to liquidating officer of closed bank of sum sufficient to enable full payment of depositors; loans to liquidating officers also authorized |
| 146 | Apr. 20, 1933; 73rd HR 5076 Carter, A.E. (Calif., Rep.) | Insurance; members F.R. System deemed sound; Federal Reserve Board | Deposits |
| 147 | May 9, 1933; 73rd HR 5571 McLeod, C.J. (Mich., Rep.) | Insurance; National banks and State banks members F.R. System; Federal Reserve Board | Deposits, defined as liabilities other than circulation, U.S. deposits, and other secured public deposits |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|--|---|--------------------|
| Annually on banks members of the F.R. System 1/8 of 1 percent of average time deposits, and on banks not members at least twice this rate; additional if necessary, not over 1/8 of 1 percent annually; initially 1/4 of surplus, and annually 1/4 of net earnings of F.R. banks available for surplus; U.S. appropriation \$125,000,000 | | 135 |
| Same as 124 | | 136 |
| Same as 131 | Same as 131 | 137 |
| Same as 135 | | 138 |
| Assessments on banks members F.R. System sufficient to maintain fund at 1 percent of deposits, and on other banks at rate determined by Board; 1 percent per year on national bank circulation (existing tax) at option of Board | | 139 |
| Same as 134 | Same as 134 | 140 |
| Same as 106 | | 141 |
| Same as 133, except that banks not members F.R. System to pay same rate as members | Banks members F.R. System not to pay over 4 percent interest on deposits and dividends restricted; banks not members of F.R. System may be required to withdraw if they fail to furnish annually certificates by State authority of their sound financial condition | 142 |
| Semi-annually 1/8 of 1 percent of average daily deposits, subject to variation if necessary; new banks 4 percent of capital accounts to be adjusted to deposits later; U.S. appropriations of franchise tax paid by Federal banks; maximum fund, discretion of Board | | 143 |
| Same as 139 | | 144 |
| Annual assessment aggregating not over \$100,000,000 in proportion to deposits; initial assessment \$130,000,000 on basis of deposits other than time deposits and \$70,000,000 on basis of time deposits; new banks 4 percent of capital accounts, adjusted to deposits later; initial levy on Federal Reserve banks \$150,000,000 in proportion to surplus; half of annual earnings of F.R. banks after dividends; U.S. appropriation of amount received as franchise tax from Federal Reserve banks | Interest on savings or time deposits limited to 3 percent per year | 145 |
| Semi-annually 1/8 of 1 percent of average time and demand deposits; F.R. banks 1/4 of surplus and semi-annually 1/4 of net earnings; assessments may be reduced or waived by Board when fund is 1 percent or more of deposits | | 146 |
| Assessments in proportion to deposits sufficient to maintain fund at 1 percent of average, payable in installments and at times fixed by Board; if necessary, additional assessments not over 3 percent per year of average deposits; if from accrued interest fund exceeds 5 percent of average deposits excess to be distributed as dividends in proportion to previous assessments | | 147 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Identifying number | Date, Congress and bill number, and author | Character of protection, banks participating, and administrative authority | Liabilities covered |
|--------------------|--|--|---|
| 148 | May 10, 1933; 73rd HR 5598 Steagall, H.B. (Ala., Dem.) | Insurance; members F.R. System, applicant State banks in solvent condition examined and approved by Corporation; Federal Deposit Insurance Corporation | All deposits up to \$10,000 for each depositor, 75 percent of those in excess of \$10,000 up to \$50,000, and 50 percent of those in excess of \$50,000 |
| 149 | May 15, 1933; 73rd S 1631 Glass, C. (Va., Dem.) | Insurance; members F.R. System; Federal Bank Deposit Insurance Corp. | Same as 148 |
| 150 | May 17, 1933; 73rd HR 5661 Steagall, H.B. (Ala., Dem.) (This bill, in amended form, became law on June 16, 1933; for principal deposit insurance provisions as enacted, see Table, 34, p. 67.) | Same as 148 | Same as 148 |

DIGEST OF BILLS FOR INSURANCE OR GUARANTY OF BANK DEPOSITS INTRODUCED
INTO CONGRESS, 1886-1933—Continued

| Assessments and other sources of funds | Other provisions | Identifying number |
|---|--|--------------------|
| Semi-annually 1/4 of 1 percent of all loans made during the period to be paid by the borrower, reducible if fund is deemed sufficient; capital stock subscriptions by insured banks equal to 1/2 of 1 percent of total net outstanding deposits adjusted annually, by F.R. banks equal to 1/2 of their surplus, and by the U.S. \$150,000,000 | Regulation of bank affiliates; restrictions on securities acquired by member banks; interest on time deposits limited to 3 percent per year; other changes in banking code | 148 |
| Assessment equal to 1/4 of 1 percent of total deposits, when net debit balance of deposit insurance account equals or exceeds that amount; capital stock subscriptions by insured banks equal to 1/2 of 1 percent of total deposits adjusted annually, by Federal Reserve banks equal to 1/2 of their surplus, and by the U.S. \$150,000,000 | Regulation of bank affiliates; restrictions on securities acquired; interest on demand deposits prohibited and rate on time deposits to be limited by Federal Reserve Board; other changes in banking code | 149 |
| Same as 149 | Same as 148 | 150 |

PART FOUR
LEGISLATION AND REGULATIONS

FEDERAL LEGISLATION

FEDERAL DEPOSIT INSURANCE ACT

[PUBLIC LAW 797—81ST CONGRESS]

[CHAPTER 967—2D SESSION]

[S. 2822]

AN ACT

To amend the Federal Deposit Insurance Act (U.S.C., title 12, sec. 264).

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12B of the Federal Reserve Act, as amended, is hereby withdrawn as a part of that Act and is made a separate Act to be known as the "Federal Deposit Insurance Act".

SEC. 2. The Federal Deposit Insurance Act is amended to read as follows:

SEC. 1. There is hereby created a Federal Deposit Insurance Corporation (hereinafter referred to as the "Corporation") which shall insure, as hereinafter provided, the deposits of all banks which are entitled to the benefits of insurance under this Act, and which shall have the powers hereinafter granted.

SEC. 2. The management of the Corporation shall be vested in a Board of Directors consisting of three members, one of whom shall be the Comptroller of the Currency, and two of whom shall be citizens of the United States to be appointed by the President, by and with the advice and consent of the Senate. One of the appointive members shall be the Chairman of the Board of Directors of the Corporation and not more than two of the members of such Board of Directors shall be members of the same political party. Each such appointive member shall hold office for a term of six years. In the event of a vacancy in the office of the Comptroller of the Currency, and pending the appointment of his successor, or during the absence of the Comptroller from Washington, the Acting Comptroller of the Currency shall be a member of the Board of Directors in the place and stead of the Comptroller. In the event of a vacancy in the office of the Chairman of the Board of Directors, and pending the appointment of his successor, the Comptroller of the Currency shall act as Chairman. The members of the Board of Directors shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any insured bank, except that this restriction shall not apply to any member who has served the full term for which he was appointed. No member of the Board of Directors shall be an officer or director of any insured bank

or Federal Reserve bank or hold stock in any insured bank; and before entering upon his duties as a member of the Board of Directors he shall certify under oath that he has complied with this requirement and such certification shall be filed with the secretary of the Board of Directors.

SEC. 3. As used in this Act—

(a) The term "State bank" means any bank, banking association, trust company, savings bank, or other banking institution which is engaged in the business of receiving deposits, other than trust funds as herein defined, and which is incorporated under the laws of any State, Territory of the United States, Puerto Rico, or the Virgin Islands, or which is operating under the Code of Law for the District of Columbia (except a national bank), and includes any unincorporated bank the deposits of which are insured on the effective date of this amendment.

(b) The term "State member bank" means any State bank which is a member of the Federal Reserve System, and the term "State non-member bank" means any State bank which is not a member of the Federal Reserve System.

(c) The term "District bank" means any State bank operating under the Code of Law for the District of Columbia.

(d) The term "national member bank" means any national bank located in any of the States of the United States, the District of Columbia, any Territory of the United States, Puerto Rico, or the Virgin Islands which is a member of the Federal Reserve System.

(e) The term "national nonmember bank" means any national bank located in any Territory of the United States, Puerto Rico, or the Virgin Islands which is not a member of the Federal Reserve System.

(f) The term "mutual savings bank" means a bank without capital stock transacting a savings bank business, the net earnings of which inure wholly to the benefit of its depositors after payment of obligations for any advances by its organizers.

(g) The term "savings bank" means a bank (other than a mutual savings bank) which transacts its ordinary banking business strictly as a savings bank under State laws imposing special requirements on such banks governing the manner of investing their funds and of conducting their business: *Provided*, That the bank maintains, until maturity date or until withdrawn, all deposits made with it (other than funds held by it in a fiduciary capacity) as time savings deposits of the specific term type or of the type where the right is reserved to the bank to require written notice before permitting withdrawal: *Provided further*, That such bank to be considered a savings bank must elect to become subject to regulations of the Corporation with respect to the redeposit of maturing deposits and prohibiting withdrawal of deposits by checking except in cases where such withdrawal was permitted by law on August 23, 1935, from specifically designated deposit accounts totaling not more than 15 per centum of the bank's total deposits.

(h) The term "insured bank" means any bank the deposits of which are insured in accordance with the provisions of this Act; and the term "noninsured bank" means any bank the deposits of which are not so insured.

(i) The term "new bank" means a new national banking association organized by the Corporation to assume the insured deposits of an insured bank closed on account of inability to meet the demands of its depositors and otherwise to perform temporarily the functions prescribed in this Act.

(j) The term "receiver" includes a receiver, liquidating agent, conservator, commissioner, person, or other agency charged by law with the duty of winding up the affairs of a bank.

(k) The term "Board of Directors" means the Board of Directors of the Corporation.

(l) The term "deposit" means the unpaid balance of money or its equivalent received by a bank in the usual course of business and for which it has given or is obligated to give credit to a commercial, checking, savings, time, or thrift account, or which is evidenced by its certificate of deposit, and trust funds held by such bank whether retained or deposited in any department of such bank or deposited in another bank, together with such other obligations of a bank as the Board of Directors shall find and shall prescribe by its regulations to be deposit liabilities by general usage: *Provided*, That any obligation of a bank which is payable only at an office of the bank located outside the States of the United States, the District of Columbia, any Territory of the United States, Puerto Rico, and the Virgin Islands, shall not be a deposit for any of the purposes of this Act or be included as a part of total deposits or of an insured deposit: *Provided further*, That any insured bank having its principal place of business in any of the States of the United States or in the District of Columbia which maintains a branch in any Territory of the United States, Puerto Rico, or the Virgin Islands may elect to exclude from insurance under this Act its deposit obligations which are payable only at such branch, and upon so electing the insured bank with respect to such branch shall comply with the provisions of this Act applicable to the termination of insurance by nonmember banks: *Provided further*, That the bank may elect to restore the insurance to such deposits at any time its capital stock is unimpaired.

(m) The term "insured deposit" means the net amount due to any depositor for deposits in an insured bank (after deducting offsets) less any part thereof which is in excess of \$10,000. Such net amount shall be determined according to such regulations as the Board of Directors may prescribe, and in determining the amount due to any depositor there shall be added together all deposits in the bank maintained in the same capacity and the same right for his benefit either in his own name or in the names of others except trust funds which shall be insured as provided in subsection (i) of section 7. Each officer, employee, or agent

of the United States, of any State of the United States, of the District of Columbia, of any Territory of the United States, of Puerto Rico, of the Virgin Islands, of any county, of any municipality, or of any political subdivision thereof, herein called "public unit", having official custody of public funds and lawfully depositing the same in an insured bank shall, for the purpose of determining the amount of the insured deposits, be deemed a depositor in such custodial capacity separate and distinct from any other officer, employee, or agent of the same or any public unit having official custody of public funds and lawfully depositing the same in the same insured bank in custodial capacity.

(n) The term "transferred deposit" means a deposit in a new bank or other insured bank made available to a depositor by the Corporation as payment of the insured deposit of such depositor in a closed bank, and assumed by such new bank or other insured bank.

(o) The term "branch" includes any branch bank, branch office, branch agency, additional office, or any branch place of business located in any State of the United States or in any Territory of the United States, Puerto Rico, or the Virgin Islands at which deposits are received or checks paid or money lent.

(p) The term "trust funds" means funds held by an insured bank in a fiduciary capacity and includes, without being limited to, funds held as trustee, executor, administrator, guardian, or agent.

SEC. 4. (a) Every bank, which is an insured bank on the effective date of this amendment, shall be and continue to be, without application or approval, an insured bank and shall be subject to the provisions of this Act.

(b) Every national member bank which is authorized to commence or resume the business of banking, and which is engaged in the business of receiving deposits other than trust funds as herein defined, and every such national nonmember bank which becomes a member of the Federal Reserve System, and every State bank which is converted into a national member bank or which becomes a member of the Federal Reserve System, and which is engaged in the business of receiving deposits, other than trust funds as herein defined, shall be an insured bank from the time it is authorized to commence or resume business or becomes a member of the Federal Reserve System. The certificate herein prescribed shall be issued to the Corporation by the Comptroller of the Currency in the case of such national member bank, or by the Board of Governors of the Federal Reserve System in the case of such State member bank: *Provided*, That in the case of an insured bank which is admitted to membership in the Federal Reserve System or an insured State bank which is converted into a national member bank, such certificate shall not be required, and the bank shall continue as an insured bank. Such certificate shall state that the bank is authorized to transact the business of banking in the case of a national member bank, or is a member of the Federal

Reserve System in the case of a State member bank, and that consideration has been given to the factors enumerated in section 6. A State bank, resulting from the conversion of an insured national bank, shall continue as an insured bank. A State bank, resulting from the merger or consolidation of insured banks, or from the merger or consolidation of a noninsured bank or institution with an insured State bank, shall continue as an insured bank.

SEC. 5. Subject to the provisions of this Act, any national nonmember bank which is engaged in the business of receiving deposits, other than trust funds as herein defined, upon application by the bank and certification by the Comptroller of the Currency in the manner prescribed in subsection (b) of section 4 and any State nonmember bank, upon application to and examination by the Corporation and approval by the Board of Directors, may become an insured bank. Before approving the application of any such State nonmember bank, the Board of Directors shall give consideration to the factors enumerated in section 6 and shall determine, upon the basis of a thorough examination of such bank, that its assets in excess of its capital requirements are adequate to enable it to meet all of its liabilities to depositors and other creditors as shown by the books of the bank.

SEC. 6. The factors to be enumerated in the certificate required under section 4 and to be considered by the Board of Directors under section 5 shall be the following: The financial history and condition of the bank, the adequacy of its capital structure, its future earnings prospects, the general character of its management, the convenience and needs of the community to be served by the bank, and whether or not its corporate powers are consistent with the purposes of this Act.

SEC. 7. (a) The assessment rate shall be one-twelfth of 1 per centum per annum. The semiannual assessment for each insured bank shall be in the amount of the product of one-half the annual assessment rate multiplied by the assessment base. The assessment base shall be the amount of the liability of the bank for deposits, according to the definition of the term "deposit" in and pursuant to subsection (1) of section 3, without any deduction for indebtedness of depositors: *Provided*, That the bank—

(1) may deduct (i) from the deposit balance due to an insured bank the deposit balance due from such insured bank (other than trust funds deposited by it in such bank) which is subject to immediate withdrawal; (ii) trust funds held by the bank in a fiduciary capacity and which are deposited in another insured bank; and (iii) cash items as determined by either of the following methods, at the option of the bank: (aa) by multiplying by 2 the total of the cash items forwarded for collection on the assessment base days (being the days on which the average deposits are computed) and cash items held for clearings at the close of business on said days,

which are in the process of collection and which the bank has paid in the regular course of business or credited to deposit accounts; or (bb) by deducting the total of cash items forwarded for collection on the assessment base days and cash items held for clearings at the close of business on said days, which are in the process of collection and which the bank has paid in the regular course of business or credited to deposit accounts, plus such uncollected items paid or credited on preceding days which are in the process of collection: *Provided*, That the Board of Directors may define the terms "cash items", "process of collection", and "uncollected items" and shall fix the maximum period for which any such item may be deducted; and

(2) may exclude from its assessment base (i) drafts drawn by it on deposit accounts in other banks which are issued in the regular course of business; and the amount of any advices or authorizations, issued by it for cash letters received, directing that its deposit account in the sending bank be charged with the amount thereof; and (ii) cash funds which are received and held solely for the purpose of securing a liability to the bank but not in an amount in excess of such liability, and which are not subject to withdrawal by the obligor and are carried in a special non-interest-bearing account designated to properly show their purpose.

Each insured bank, as a condition to the right to make any such deduction or exclusion in determining its assessment base, shall maintain such records as will readily permit verification of the correctness thereof. The semiannual assessment base for one semiannual period shall be the average of the assessment base of the bank as of the close of business on March 31 and June 30, and the semiannual assessment base for the other semiannual period shall be the average of the assessment base of the bank as of the close of business on September 30 and December 31: *Provided*, That when any of said days is a nonbusiness day or a legal holiday, either National or State, the preceding business day shall be used. The certified statements required to be filed with the Corporation under subsections (b) and (c) of this section shall be in such form and set forth such supporting information as the Board of Directors shall prescribe. The assessment payments required from insured banks under subsections (b) and (c) of this section shall be made in such manner and at such time or times as the Board of Directors shall prescribe, provided the time or times so prescribed shall not be later than sixty days after filing the certified statement setting forth the amount of assessment.

(b) On or before the 15th day of July of each year, each insured bank shall file with the Corporation a certified statement showing for the six months ending on the preceding June 30 the amount of the assessment base and the amount of the semiannual assessment due to the Corporation for the period ending on the following December 31, determined in accordance with subsection (a) of this section, which shall contain or

be verified by a written declaration that it is made under the penalties of perjury. Each insured bank shall pay to the Corporation the amount of the semiannual assessment it is required to certify. On or before the 15th day of January of each year, each insured bank shall file with the Corporation a similar certified statement for the six months ending on the preceding December 31 and shall pay to the Corporation the amount of the semiannual assessment for the period ending on the following June 30 which it is required to certify.

(c) Each bank which becomes an insured bank shall not be required to file any certified statement or pay any assessment for the semiannual period in which it becomes an insured bank. On the expiration of such period, each such bank shall comply with the provisions of subsection (b) of this section except that the semiannual assessment base for its first certified statement shall be the assessment base of the bank as of the close of business on the preceding June 30 or December 31, whichever is applicable, determined in accordance with subsection (a) of this section. If such bank has assumed the liabilities for deposits of another bank or banks, it shall include such liabilities in its assessment base. The first certified statement shall show as the amount of the first semiannual assessment due to the Corporation, an amount equal to the product of one-half of the annual assessment rate multiplied by such assessment base.

(d) As of December 31, 1950, and as of December 31, of each calendar year thereafter, the Corporation shall transfer 40 per centum of its net assessment income to its capital account and the balance of the net assessment income shall be credited pro rata to the insured banks based upon the assessments of each bank becoming due during said calendar year. Each year such credit shall be applied by the Corporation toward the payment of the total assessment becoming due for the semiannual assessment period beginning the next ensuing July 1 and any excess credit shall be applied upon the assessment next becoming due. The term "net assessment income" as used herein means the total assessments which become due during the calendar year less (1) the operating costs and expenses of the Corporation for the calendar year; (2) additions to reserve to provide for insurance losses during the calendar year, except that any adjustments to reserve which result in a reduction of such reserve shall be added; and (3) the insurance losses sustained in said calendar year plus losses from any preceding years in excess of such reserves. If the above deductions exceed in amount the total assessments which become due during the calendar year, the amount of such excess shall be restored by deduction from total assessments becoming due in subsequent years.

(e) The Corporation (1) may refund to an insured bank any payment of assessment in excess of the amount due to the Corporation or (2) may credit such excess toward the payment of the assessment next becoming

due from such bank and upon succeeding assessments until the credit is exhausted.

(f) Any insured bank which fails to file any certified statement required to be filed by it in connection with determining the amount of any assessment payable by the bank to the Corporation may be compelled to file such statement by mandatory injunction or other appropriate remedy in a suit brought for such purpose by the Corporation against the bank and any officer or officers thereof in any court of the United States of competent jurisdiction in the District or Territory in which such bank is located.

(g) The Corporation, in a suit brought at law or in equity in any court of competent jurisdiction, shall be entitled to recover from any insured bank the amount of any unpaid assessment lawfully payable by such insured bank to the Corporation, whether or not such bank shall have filed any such certified statement and whether or not suit shall have been brought to compel the bank to file any such statement. No action or proceeding shall be brought for the recovery of any assessment due to the Corporation, or for the recovery of any amount paid to the Corporation in excess of the amount due to it, unless such action or proceeding shall have been brought within five years after the right accrued for which the claim is made, except where the insured bank has made or filed with the Corporation a false or fraudulent certified statement with the intent to evade, in whole or in part, the payment of assessment, in which case the claim shall not be deemed to have accrued until the discovery by the Corporation that the certified statement is false or fraudulent: *Provided, however,* That where a cause of action has already accrued, and the period herein prescribed within which an action may be brought has expired, or will expire within one year from the date this amendment becomes effective, an action may be brought on such cause of action within one year from the effective date of this amendment: *And provided further,* That no action or proceeding shall be brought for the recovery of any assessment on deposits alleged to have been omitted from the assessment base of any insured bank for any year prior to 1945 except that any claim of the Corporation for the payment of any assessment may be offset by it against any claim of the bank for the overpayment of any assessment.

(h) Should any national member bank or any insured national non-member bank fail to file any certified statement required to be filed by such bank under any provision of this section, or fail to pay any assessment required to be paid by such bank under any provision of this Act, and should the bank not correct such failure within thirty days after written notice has been given by the Corporation to an officer of the bank, citing this subsection, and stating that the bank has failed to file or pay as required by law, all the rights, privileges, and franchises of the bank granted to it under the National Bank Act, as amended,

the Federal Reserve Act, as amended, or this Act, shall be thereby forfeited. Whether or not the penalty provided in this subsection has been incurred shall be determined and adjudged in the manner provided in the sixth paragraph of section 2 of the Federal Reserve Act, as amended. The remedies provided in this subsection and in the two preceding subsections shall not be construed as limiting any other remedies against any insured bank, but shall be in addition thereto.

(i) Trust funds held by an insured bank in a fiduciary capacity whether held in its trust or deposited in any other department or in another bank shall be insured in an amount not to exceed \$10,000 for each trust estate, and when deposited by the fiduciary bank in another insured bank such trust funds shall be similarly insured to the fiduciary bank according to the trust estates represented. Notwithstanding any other provision of this Act, such insurance shall be separate from and additional to that covering other deposits of the owners of such trust funds or the beneficiaries of such trust estates: *Provided*, That where the fiduciary bank deposits any of such trust funds in other insured banks, the amount so held by other insured banks on deposit shall not for the purpose of any certified statement required under subsections (b) and (c) of this section be considered to be a deposit liability of the fiduciary bank, but shall be considered to be a deposit liability of the bank in which such funds are so deposited by such fiduciary bank. The Board of Directors shall have power by regulation to prescribe the manner of reporting and of depositing such trust funds.

SEC. 8. (a) Any insured bank (except a national member bank or State member bank) may, upon not less than ninety days' written notice to the Corporation, and to the Reconstruction Finance Corporation if it owns or holds as pledgee any preferred stock, capital notes, or debentures of such bank, terminate its status as an insured bank. Whenever the Board of Directors shall find that an insured bank or its directors or trustees have continued unsafe or unsound practices in conducting the business of such bank, or have knowingly or negligently permitted any of its officers or agents to violate any provision of any law or regulation to which the insured bank is subject, the Board of Directors shall first give to the Comptroller of the Currency in the case of a national bank or a District bank, to the authority having supervision of the bank in the case of a State bank, or to the Board of Governors of the Federal Reserve System in the case of a State member bank, a statement with respect to such practices or violations for the purpose of securing the correction thereof and shall give a copy thereof to the bank. Unless such correction shall be made within one hundred and twenty days or such shorter period of time as the Comptroller of the Currency, the State authority, or Board of Governors of the Federal Reserve System, as the case may be, shall require, the Board of Directors, if it shall determine to proceed further, shall give to the bank not less than thirty

days' written notice of intention to terminate the status of the bank as an insured bank, and shall fix a time and place for a hearing before the Board of Directors or before a person designated by it to conduct such hearing, at which evidence may be produced, and upon such evidence the Board of Directors shall make written findings which shall be conclusive. Unless the bank shall appear at the hearing by a duly authorized representative, it shall be deemed to have consented to the termination of its status as an insured bank. If the Board of Directors shall find that any unsafe or unsound practice or violation specified in such notice has been established and has not been corrected within the time above prescribed in which to make such corrections, the Board of Directors may order that the insured status of the bank be terminated on a date subsequent to such finding and to the expiration of the time specified in such notice of intention. The Corporation may publish notice of such termination and the bank shall give notice of such termination to each of its depositors at his last address of record on the books of the bank, in such manner and at such time as the Board of Directors may find to be necessary and may order for the protection of depositors. After the termination of the insured status of any bank under the provisions of this subsection, the insured deposits of each depositor in the bank on the date of such termination, less all subsequent withdrawals from any deposits of such depositor, shall continue for a period of two years to be insured, and the bank shall continue to pay to the Corporation assessments as in the case of an insured bank during such period. No additions to any such deposits and no new deposits in such bank made after the date of such termination shall be insured by the Corporation, and the bank shall not advertise or hold itself out as having insured deposits unless in the same connection it shall also state with equal prominence that such additions to deposits and new deposits made after such date are not so insured. Such bank shall, in all other respects, be subject to the duties and obligations of an insured bank for the period of two years from the date of such termination, and in the event that such bank shall be closed on account of inability to meet the demands of its depositors within such period of two years, the Corporation shall have the same powers and rights with respect to such bank as in case of an insured bank.

(b) Whenever the insured status of a State member bank shall be terminated by action of the Board of Directors, the Board of Governors of the Federal Reserve System shall terminate its membership in the Federal Reserve System in accordance with the provisions of section 9 of the Federal Reserve Act, and whenever the insured status of a national member bank shall be so terminated the Comptroller of the Currency shall appoint a receiver for the bank, which shall be the Corporation. Except as provided in subsection (b) of section 4, whenever a member bank shall cease to be a member of the Federal Reserve System, its status as an insured bank shall, without notice or other action by the

Board of Directors, terminate on the date the bank shall cease to be a member of the Federal Reserve System, with like effect as if its insured status had been terminated on said date by the Board of Directors after proceedings under subsection (a) of this section.

(c) Notwithstanding any other provision of law, whenever the Board of Directors shall determine that an insured banking institution is not engaged in the business of receiving deposits, other than trust funds as herein defined, the Corporation shall notify the banking institution that its insured status will terminate at the expiration of the first full semiannual assessment period following such notice. A finding by the Board of Directors that a banking institution is not engaged in the business of receiving deposits, other than such trust funds, shall be conclusive. The Board of Directors shall prescribe the notice to be given by the banking institution of such termination and the Corporation may publish notice thereof. Upon the termination of the insured status of any such banking institution, its deposits shall thereupon cease to be insured and the banking institution shall thereafter be relieved of all future obligations to the Corporation, including the obligation to pay future assessments.

(d) Whenever the liabilities of an insured bank for deposits shall have been assumed by another insured bank or banks, the insured status of the bank whose liabilities are so assumed shall terminate on the date of receipt by the Corporation of satisfactory evidence of such assumption with like effect as if its insured status had been terminated on said date by the Board of Directors after proceedings under subsection (a) of this section: *Provided*, That if the bank whose liabilities are so assumed gives to its depositors notice of such assumption within thirty days after such assumption takes effect, by publication or by any reasonable means, in accordance with regulations to be prescribed by the Board of Directors, the insurance of its deposits shall terminate at the end of six months from the date such assumption takes effect. Such bank shall be subject to the duties and obligations of an insured bank for the period its deposits are insured: *Provided*, That if the deposits are assumed by a newly insured bank, the bank whose deposits are assumed shall not be required to pay any assessment upon the deposits which have been so assumed after the semiannual period in which the assumption takes effect.

SEC. 9. Upon the date of enactment of the Banking Act of 1933, the Corporation shall become a body corporate and as such shall have power—

First. To adopt and use a corporate seal.

Second. To have succession until dissolved by an Act of Congress.

Third. To make contracts.

Fourth. To sue and be sued, complain and defend, in any court of law or equity, State or Federal. All suits of a civil nature at common law or in equity to which the Corporation shall be a party shall be deemed

to arise under the laws of the United States: *Provided*, That any such suit to which the Corporation is a party in its capacity as receiver of a State bank and which involves only the rights or obligations of depositors, creditors, stockholders, and such State bank under State law shall not be deemed to arise under the laws of the United States. No attachment or execution shall be issued against the Corporation or its property before final judgment in any suit, action, or proceeding in any State, county, municipal, or United States court. The Board of Directors shall designate an agent upon whom service of process may be made in any State, Territory, or jurisdiction in which any insured bank is located.

Fifth. To appoint by its Board of Directors such officers and employees as are not otherwise provided for in this Act, to define their duties, fix their compensation, require bonds of them and fix the penalty thereof, and to dismiss at pleasure such officers or employees. Nothing in this or any other Act shall be construed to prevent the appointment and compensation as an officer or employee of the Corporation of any officer or employee of the United States in any board, commission, independent establishment, or executive department thereof.

Sixth. To prescribe, by its Board of Directors, bylaws not inconsistent with law, regulating the manner in which its general business may be conducted, and the privileges granted to it by law may be exercised and enjoyed.

Seventh. To exercise by its Board of Directors, or duly authorized officers or agents, all powers specifically granted by the provisions of this Act, and such incidental powers as shall be necessary to carry out the powers so granted.

Eighth. To make examinations of and to require information and reports from banks, as provided in this Act.

Ninth. To act as receiver.

Tenth. To prescribe by its Board of Directors such rules and regulations as it may deem necessary to carry out the provisions of this Act.

SEC. 10. (a) The Board of Directors shall administer the affairs of the Corporation fairly and impartially and without discrimination. The Board of Directors of the Corporation shall determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid. The Corporation shall be entitled to the free use of the United States mails in the same manner as the executive departments of the Government. The Corporation with the consent of any Federal Reserve bank or of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, may avail itself of the use of information, services, and facilities thereof in carrying out the provisions of this Act.

(b) The Board of Directors shall appoint examiners who shall have power, on behalf of the Corporation, to examine any insured State nonmember bank (except a District bank), any State nonmember

bank making application to become an insured bank, and any closed insured bank, whenever in the judgment of the Board of Directors an examination of the bank is necessary. In addition to the examinations provided for in the preceding sentence, such examiners shall have like power to make special examination of any State member bank and any national bank or District bank, whenever in the judgment of the Board of Directors such special examination is necessary to determine the condition of any such bank for insurance purposes. Each such examiner shall have power to make a thorough examination of all the affairs of the bank and in doing so he shall have power to administer oaths and to examine and take and preserve the testimony of any of the officers and agents thereof, and shall make a full and detailed report of the condition of the bank to the Corporation. The Board of Directors in like manner shall appoint claim agents who shall have power to investigate and examine all claims for insured deposits and transferred deposits. Each claim agent shall have power to administer oaths and to examine under oath and take and preserve the testimony of any persons relating to such claims.

(c) For the purpose of any hearing under this Act, the Board of Directors, any member thereof or any person designated by the Board of Directors to conduct any such hearing, is empowered to administer oaths and affirmations, subpoena any officer or employee of the insured bank, compel his attendance, take evidence, take depositions and require the production of any books, records, or other papers of the insured bank which are relevant or material to the inquiry. For the purpose of any hearing, examination, or investigation under this Act, the Board of Directors may apply to any judge or clerk of any court of the United States within the jurisdiction of which such hearing, examination, or investigation is carried on, or where such person resides or carries on business, to issue a subpoena commanding each person to whom it is directed to attend and give testimony or for the taking of his deposition and to produce books, records, or other papers relevant or material to such hearing, examination, or investigation at a time and place and before a person therein specified. Such attendance of witnesses and the production of any such papers may be required from any place in any State or in any Territory or other place subject to the jurisdiction of the United States at any designated place where such a hearing is being held or such examination or investigation is being made: *Provided, however,* That the production of a person's documents at any place other than his place of business shall not be required in any case in which, prior to the return date specified in the subpoena with respect thereto, such person either has furnished as directed a copy of such documents (certified by such person under oath to be a true and correct copy) or has entered into a stipulation with any authorized representative of the Corporation as to the information contained in such documents. Witnesses subpoenaed

under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States.

(d) In cases of refusal to obey a subpoena issued to, or contumacy by, any person, the Board of Directors may invoke the aid of any court of the United States within the jurisdiction of which such hearing, examination or investigation is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, records, or other papers. And such court may issue an order requiring such person to appear before the Board of Directors or member or person designated by the Board of Directors, there to produce records, if so ordered, or to give testimony touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or carries on business or wherever he may be found. No person shall be excused from attending and testifying or from producing books, records, or other papers in obedience to a subpoena issued under the authority of this Act on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to penalty or forfeiture; but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled to testify or produce evidence, documentary or otherwise, after having claimed his privilege against self-incrimination, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(e) Each insured State nonmember bank (except a District bank) shall make to the Corporation reports of condition in such form and at such times as the Board of Directors may require. The Board of Directors may require such reports to be published in such manner, not inconsistent with any applicable law, as it may direct. Every such bank which fails to make or publish any such report within such time, not less than five days, as the Board of Directors may require, shall be subject to a penalty of not more than \$100 for each day of such failure recoverable by the Corporation for its use.

(f) The Corporation shall have access to reports of examination made by, and reports of condition made to, the Comptroller of the Currency or any Federal Reserve bank, may accept any report made by or to any commission, board, or authority having supervision of a State nonmember bank (except a District bank), and may furnish to the Comptroller of the Currency, to any Federal Reserve bank, and to any such commission, board, or authority, reports of examinations made on behalf of, and reports of condition made to, the Corporation.

(g) The Corporation may cause any and all records, papers, or documents kept by it or in its possession or custody to be photographed or

microphotographed or otherwise reproduced upon film, which photographic film shall comply with the minimum standards of quality approved for permanent photographic records by the National Bureau of Standards. Such photographs, microphotographs, or photographic film or copies thereof shall be deemed to be an original record for all purposes, including introduction in evidence in all State and Federal courts or administrative agencies and shall be admissible to prove any act, transaction, occurrence, or event therein recorded. Such photographs, microphotographs, or reproductions shall be preserved in such manner as the Board of Directors of the Corporation shall prescribe and the original records, papers, or documents may be destroyed or otherwise disposed of as the Board shall direct.

SEC. 11. (a) The Temporary Federal Deposit Insurance Fund and the Fund For Mutuals heretofore created pursuant to the provisions of section 12B of the Federal Reserve Act, as amended, are hereby consolidated into a Permanent Insurance Fund for insuring deposits, and the assets therein shall be held by the Corporation for the uses and purposes of the Corporation: *Provided*, That the obligations to and rights of the Corporation, depositors, banks, and other persons arising out of any event or transaction prior to the effective date of this amendment shall remain unimpaired. On and after August 23, 1935, the Corporation shall insure the deposits of all insured banks as provided in this Act: *Provided further*, That the insurance shall apply only to deposits of insured banks which have been made available since March 10, 1933, for withdrawal in the usual course of the banking business: *Provided further*, That if any insured bank shall, without the consent of the Corporation, release or modify restrictions on or deferments of deposits which had not been made available for withdrawal in the usual course of the banking business on or before August 23, 1935, such deposits shall not be insured. The maximum amount of the insured deposit of any depositor shall be \$10,000: *And provided further*, That in the case of banks closing prior to the effective date of this amendment, the maximum amount of the insured deposit of any depositor shall be \$5,000.

(b) For the purposes of this Act an insured bank shall be deemed to have been closed on account of inability to meet the demands of its depositors in any case in which it has been closed for the purpose of liquidation without adequate provision being made for payment of its depositors.

(c) Notwithstanding any other provision of law, whenever the Comptroller of the Currency shall appoint a receiver other than a conservator of any insured national bank or insured District bank, or of any noninsured national bank or District bank hereafter closed, he shall appoint the Corporation receiver for such closed bank.

(d) Notwithstanding any other provision of law, it shall be the duty

of the Corporation as such receiver to cause notice to be given, by advertisement in such newspapers as it may direct, to all persons having claims against such closed bank pursuant to section 5235 of the Revised Statutes (U.S.C., title 12, sec. 193); to realize upon the assets of such closed bank, having due regard to the condition of credit in the locality; to enforce the individual liability of the stockholders and directors thereof; and to wind up the affairs of such closed bank in conformity with the provisions of law relating to the liquidation of closed national banks, except as herein otherwise provided. The Corporation as such receiver shall pay to itself for its own account such portion of the amounts realized from such liquidation as it shall be entitled to receive on account of its subrogation to the claims of depositors, and it shall pay to depositors and other creditors the net amounts available for distribution to them. The Corporation as such receiver, however, may, in its discretion, pay dividends on proved claims at any time after the expiration of the period of advertisement made pursuant to the aforesaid section of the Revised Statutes, and no liability shall attach to the Corporation itself or as such receiver by reason of any such payment for failure to pay dividends to a claimant whose claim is not proved at the time of any such payment. With respect to any such closed bank, the Corporation as such receiver shall have all the rights, powers, and privileges now possessed by or hereafter granted by law to a receiver of a national bank or District bank and notwithstanding any other provision of law in the exercise of such rights, powers, and privileges the Corporation shall not be subject to the direction or supervision of the Secretary of the Treasury or the Comptroller of the Currency.

(e) Whenever any insured State bank (except a District bank) shall have been closed by action of its board of directors or by the authority having supervision of such bank, as the case may be, on account of inability to meet the demands of its depositors, the Corporation shall accept appointment as receiver thereof, if such appointment is tendered by the authority having supervision of such bank and is authorized or permitted by State law. With respect to any such insured State bank, the Corporation as such receiver shall possess all the rights, powers and privileges granted by State law to a receiver of a State bank.

(f) Whenever an insured bank shall have been closed on account of inability to meet the demands of its depositors, payment of the insured deposits in such bank shall be made by the Corporation as soon as possible, subject to the provisions of subsection (g) of this section either (1) by cash or (2) by making available to each depositor a transferred deposit in a new bank in the same community or in another insured bank in an amount equal to the insured deposit of such depositor: *Provided*, That the Corporation, in its discretion, may require proof of claims to be filed before paying the insured deposits, and that in any case where the Corporation is not satisfied as to the validity of a claim for an insured

deposit, it may require the final determination of a court of competent jurisdiction before paying such claim.

(g) In the case of a closed national bank or District bank, the Corporation, upon the payment to any depositor as provided in subsection (f) of this section, shall be subrogated to all rights of the depositor against the closed bank to the extent of such payment. In the case of any other closed insured bank, the Corporation shall not make any payment to any depositor until the right of the Corporation to be subrogated to the rights of such depositor on the same basis as provided in the case of a closed national bank under this Act shall have been recognized either by express provision of State law, by allowance of claims by the authority having supervision of such bank, by assignment of claims by depositors, or by any other effective method. In the case of any closed insured bank, such subrogation shall include the right on the part of the Corporation to receive the same dividends from the proceeds of the assets of such closed bank and recoveries on account of stockholders' liability as would have been payable to the depositor on a claim for the insured deposit, but such depositor shall retain his claim for any uninsured portion of his deposit: *Provided*, That, with respect to any bank which closes after May 25, 1938, the Corporation shall waive, in favor only of any person against whom stockholders' individual liability may be asserted, any claim on account of such liability in excess of the liability, if any, to the bank or its creditors, for the amount unpaid upon his stock in such bank; but any such waiver shall be effected in such manner and on such terms and conditions as will not increase recoveries or dividends on account of claims to which the Corporation is not subrogated: *Provided further*, That the rights of depositors and other creditors of any State bank shall be determined in accordance with the applicable provisions of State law.

(h) As soon as possible after the closing of an insured bank, the Corporation, if it finds that it is advisable and in the interest of the depositors of the closed bank or the public, shall organize a new national bank to assume the insured deposits of such closed bank and otherwise to perform temporarily the functions hereinafter provided for. The new bank shall have its place of business in the same community as the closed bank.

(i) The articles of association and the organization certificate of the new bank shall be executed by representatives designated by the Corporation. No capital stock need be paid in by the Corporation. The new bank shall not have a board of directors, but shall be managed by an executive officer appointed by the Board of Directors of the Corporation who shall be subject to its directions. In all other respects the new bank shall be organized in accordance with the then existing provisions of law relating to the organization of national banking associations. The new bank may, with the approval of the Corporation, accept new deposits which shall be subject to withdrawal on demand and which,

except where the new bank is the only bank in the community, shall not exceed \$10,000 from any depositor. The new bank, without application to or approval by the Corporation, shall be an insured bank and shall maintain on deposit with the Federal Reserve bank of its district reserves in the amount required by law for member banks, but it shall not be required to subscribe for stock of the Federal Reserve bank. Funds of the new bank shall be kept on hand in cash, invested in obligations of the United States, or in obligations guaranteed as to principal and interest by the United States, or deposited with the Corporation, with a Federal Reserve bank, or, to the extent of the insurance coverage thereon, with an insured bank. The new bank, unless otherwise authorized by the Comptroller of the Currency, shall transact no business except that authorized by this Act and as may be incidental to its organization. Notwithstanding any other provision of law the new bank, its franchise, property, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

(j) Upon the organization of a new bank, the Corporation shall promptly make available to it an amount equal to the estimated insured deposits of such closed bank plus the estimated amount of the expenses of operating the new bank, and shall determine as soon as possible the amount due each depositor for his insured deposit in the closed bank, and the total expenses of operation of the new bank. Upon such determination, the amounts so estimated and made available shall be adjusted to conform to the amounts so determined. Earnings of the new bank shall be paid over or credited to the Corporation in such adjustment. If any new bank, during the period it continues its status as such, sustains any losses with respect to which it is not effectively protected except by reason of being an insured bank, the Corporation shall furnish to it additional funds in the amount of such losses. The new bank shall assume as transferred deposits the payment of the insured deposits of such closed bank to each of its depositors. Of the amounts so made available, the Corporation shall transfer to the new bank, in cash, such sums as may be necessary to enable it to meet its expenses of operation and immediate cash demands on such transferred deposits, and the remainder of such amounts shall be subject to withdrawal by the new bank on demand.

(k) Whenever in the judgment of the Board of Directors it is desirable to do so, the Corporation shall cause capital stock of the new bank to be offered for sale on such terms and conditions as the Board of Directors shall deem advisable in an amount sufficient, in the opinion of the Board of Directors, to make possible the conduct of the business of the new bank on a sound basis, but in no event less than that required by section 5138 of the Revised Statutes, as amended (U. S. C., title 12, sec. 51), for the organization of a national bank in the place where such new

bank is located. The stockholders of the closed insured bank shall be given the first opportunity to purchase any shares of common stock so offered. Upon proof that an adequate amount of capital stock in the new bank has been subscribed and paid for in cash, the Comptroller of the Currency shall require the articles of association and the organization certificate to be amended to conform to the requirements for the organization of a national bank, and thereafter, when the requirements of law with respect to the organization of a national bank have been complied with, he shall issue to the bank a certificate of authority to commence business, and thereupon the bank shall cease to have the status of a new bank, shall be managed by directors elected by its own shareholders and may exercise all the powers granted by law, and it shall be subject to all the provisions of law relating to national banks. Such bank shall thereafter be an insured national bank, without certification to or approval by the Corporation.

(l) If the capital stock of the new bank is not offered for sale, or if an adequate amount of capital for such new bank is not subscribed and paid for, the Board of Directors may offer to transfer its business to any insured bank in the same community which will take over its assets, assume its liabilities, and pay to the Corporation for such business such amount as the Board of Directors may deem adequate; or the Board of Directors in its discretion may change the location of the new bank to the office of the Corporation or to some other place or may at any time wind up its affairs as herein provided. Unless the capital stock of the new bank is sold or its assets are taken over and its liabilities are assumed by an insured bank as above provided within two years from the date of its organization, the Corporation shall wind up the affairs of such bank, after giving such notice, if any, as the Comptroller of the Currency may require, and shall certify to the Comptroller of the Currency the termination of the new bank. Thereafter the Corporation shall be liable for the obligations of such bank and shall be the owner of its assets. The provisions of sections 5220 and 5221 of the Revised Statutes (U. S. C., title 12, secs. 181 and 182) shall not apply to such new banks.

SEC. 12. (a) Notwithstanding any other provision of law, the Corporation as receiver of a closed national bank or District bank shall not be required to furnish bond and shall have the right to appoint an agent or agents to assist it in its duties as such receiver, and all fees, compensation, and expenses of liquidation and administration thereof shall be fixed by the Corporation, and may be paid by it out of funds coming into its possession as such receiver.

(b) Payment of an insured deposit to any person by the Corporation shall discharge the Corporation, and payment of a transferred deposit to any person by the new bank or by an insured bank in which a transferred deposit has been made available shall discharge the Corporation and such new bank or other insured bank, to the same extent that pay-

ment to such person by the closed bank would have discharged it from liability for the insured deposit.

(c) Except as otherwise prescribed by the Board of Directors, neither the Corporation nor such new bank or other insured bank shall be required to recognize as the owner of any portion of a deposit appearing on the records of the closed bank under a name other than that of the claimant, any person whose name or interest as such owner is not disclosed on the records of such closed bank as part owner of said deposit, if such recognition would increase the aggregate amount of the insured deposits in such closed bank.

(d) The Corporation may withhold payment of such portion of the insured deposit of any depositor in a closed bank as may be required to provide for the payment of any liability of such depositor as a stockholder of the closed bank, or of any liability of such depositor to the closed bank or its receiver, which is not offset against a claim due from such bank, pending the determination and payment of such liability by such depositor or any other person liable therefor.

(e) If, after the Corporation shall have given at least three months' notice to the depositor by mailing a copy thereof to his last-known address appearing on the records of the closed bank, any depositor in the closed bank shall fail to claim his insured deposit from the Corporation within eighteen months after the appointment of the receiver for the closed bank, or shall fail within such period to claim or arrange to continue the transferred deposit with the new bank or with the other insured bank which assumes liability therefor, all rights of the depositor against the Corporation with respect to the insured deposit, and against the new bank and such other insured bank with respect to the transferred deposit, shall be barred, and all rights of the depositor against the closed bank and its shareholders, or the receivership estate to which the Corporation may have become subrogated, shall thereupon revert to the depositor. The amount of any transferred deposits not claimed within such eighteen months' period, shall be refunded to the Corporation.

SEC. 13. (a) Money of the Corporation not otherwise employed shall be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States: *Provided*, That the Corporation shall not sell or purchase any such obligations for its own account and in its own right and interest, at any one time aggregating in excess of \$100,000, without the approval of the Secretary of the Treasury: *And provided further*, That the Secretary of the Treasury may waive the requirement of his approval with respect to any transaction or classes of transactions subject to the provisions of this subsection for such period of time and under such conditions as he may determine.

(b) The banking or checking accounts of the Corporation shall be kept with the Treasurer of the United States, or, with the approval of the Secretary of the Treasury, with a Federal Reserve bank, or with

a bank designated as a depository or fiscal agent of the United States: *Provided*, That the Secretary of the Treasury may waive the requirements of this subsection under such conditions as he may determine: *And provided further*, That this subsection shall not apply to the establishment and maintenance in any bank for temporary purposes of banking and checking accounts not in excess of \$50,000 in any one bank, or to the establishment and maintenance in any bank of any banking and checking accounts to facilitate the payment of insured deposits, or the making of loans to, or the purchase of assets of, insured banks. When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depository of public moneys, except receipts from customs, under such regulations as may be prescribed by the said Secretary, and may also be employed as a financial agent of the Government. It shall perform all such reasonable duties as depository of public moneys and financial agent of the Government as may be required of it.

(c) In order to reopen a closed insured bank or, when the Corporation has determined that an insured bank is in danger of closing, in order to prevent such closing, the Corporation, in the discretion of its Board of Directors, is authorized to make loans to, or purchase the assets of, or make deposits in, such insured bank, upon such terms and conditions as the Board of Directors may prescribe, when in the opinion of the Board of Directors the continued operation of such bank is essential to provide adequate banking service in the community. Such loans and deposits may be in subordination to the rights of depositors and other creditors.

(d) Receivers or liquidators of insured banks closed on account of inability to meet the demands of their depositors shall be entitled to offer the assets of such banks for sale to the Corporation or as security for loans from the Corporation, upon receiving permission from the appropriate State authority in accordance with express provisions of State law in the case of insured State banks. The proceeds of every such sale or loan shall be utilized for the same purposes and in the same manner as other funds realized from the liquidation of the assets of such banks. In any case where prior to the effective date of this amendment, the Comptroller of the Currency has appointed a receiver of a closed national bank other than the Corporation, he may, in his discretion, pay dividends on proved claims at any time after the expiration of the period of advertisement made pursuant to section 5235 of the Revised Statutes (U. S. C., title 12, sec. 193), and no liability shall attach to the Comptroller of the Currency or to the receiver of any such national bank by reason of any such payment for failure to pay dividends to a claimant whose claim is not proved at the time of any such payment. The Corporation, in its discretion, may make loans on the security of or may purchase and liquidate or sell any part of the assets of an insured bank which is now or may hereafter be closed on account of inability

to meet the demands of its depositors, but in any case in which the Corporation is acting as receiver of a closed insured bank, no such loan or purchase shall be made without the approval of a court of competent jurisdiction.

(e) Whenever in the judgment of the Board of Directors such action will reduce the risk or avert a threatened loss to the Corporation and will facilitate a merger or consolidation of an insured bank with another insured bank, or will facilitate the sale of the assets of an open or closed insured bank to and assumption of its liabilities by another insured bank, the Corporation may, upon such terms and conditions as it may determine, make loans secured in whole or in part by assets of an open or closed insured bank, which loans may be in subordination to the rights of depositors and other creditors, or the Corporation may purchase any such assets or may guarantee any other insured bank against loss by reason of its assuming the liabilities and purchasing the assets of an open or closed insured bank. Any insured national bank or District bank, or the Corporation as receiver thereof, is authorized to contract for such sales or loans and to pledge any assets of the bank to secure such loans.

No agreement which tends to diminish or defeat the right, title or interest of the Corporation in any asset acquired by it under this section, either as security for a loan or by purchase, shall be valid against the Corporation unless such agreement (1) shall be in writing, (2) shall have been executed by the bank and the person or persons claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by the bank, (3) shall have been approved by the board of directors of the bank or its loan committee, which approval shall be reflected in the minutes of said board or committee, and (4) shall have been, continuously, from the time of its execution, an official record of the bank.

(f) Prior to July 1, 1951, the Corporation shall pay out of its capital account to the Secretary of the Treasury an amount equal to 2 per centum simple interest per annum on amounts advanced to the Corporation on stock subscriptions by the Secretary of the Treasury and the Federal Reserve banks, from the time of such advances until the amounts thereof were repaid. The amount payable hereunder shall be paid in two equal installments, the first installment to be paid prior to December 31, 1950.

SEC. 14. The Corporation is authorized to borrow from the Treasury, and the Secretary of the Treasury is authorized and directed to loan to the Corporation on such terms as may be fixed by the Corporation and the Secretary, such funds as in the judgment of the Board of Directors of the Corporation are from time to time required for insurance purposes, not exceeding in the aggregate \$3,000,000,000 outstanding at any one time: *Provided*, That the rate of interest to be charged in connection with any loan made pursuant to this section shall not be less than the

current average rate on outstanding marketable and nonmarketable obligations of the United States as of the last day of the month preceding the making of such loan. For such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include such loans. Any such loan shall be used by the Corporation solely in carrying out its functions with respect to such insurance. All loans and repayments under this section shall be treated as public-debt transactions of the United States.

SEC. 15. All notes, debentures, bonds, or other such obligations issued by the Corporation shall be exempt, both as to principal and interest, from all taxation (except estate and inheritance taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority: *Provided*, That interest upon or any income from any such obligations and gain from the sale or other disposition of such obligations shall not have any exemption, as such, and loss from the sale or other disposition of such obligations shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The Corporation, including its franchise, its capital, reserves, and surplus, and its income, shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, except that any real property of the Corporation shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

SEC. 16. In order that the Corporation may be supplied with such forms of notes, debentures, bonds, or other such obligations as it may need for issuance under this Act, the Secretary of the Treasury is authorized to prepare such forms as shall be suitable and approved by the Corporation, to be held in the Treasury subject to delivery, upon order of the Corporation. The engraved plates, dies, bed pieces, and other material executed in connection therewith shall remain in the custody of the Secretary of the Treasury. The Corporation shall reimburse the Secretary of the Treasury for any expenses incurred in the preparation, custody, and delivery of such notes, debentures, bonds, or other such obligations.

SEC. 17. (a) The Corporation shall annually make a report of its operations to the Congress as soon as practicable after the 1st day of January in each year.

(b) The financial transactions of the Corporation shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under

such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the Corporation shall remain in possession and custody of the Corporation. The audit shall begin with financial transactions occurring on and after August 31, 1948.

(c) A report of the audit for each fiscal year ending on June 30 shall be made by the Comptroller General to the Congress not later than January 15 following the close of such fiscal year. On or before December 15 following such fiscal year the Comptroller General shall furnish the Corporation a short form report showing the financial position of the Corporation at the close of the fiscal year. The report to the Congress shall set forth the scope of the audit and shall include a statement of assets and liabilities and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expenses; a statement of sources and application of funds and such comments and information as may be deemed necessary to inform Congress of the financial operations and condition of the Corporation, together with such recommendations with respect thereto as the Comptroller General may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary of the Treasury, and to the Corporation at the time submitted to the Congress.

(d) For the purpose of conducting such audit the Comptroller General is authorized in his discretion to employ by contract, without regard to section 3709 of the Revised Statutes, professional services of firms and organizations of certified public accountants, with the concurrence of the Corporation, for temporary periods or for special purposes. The Corporation shall reimburse the General Accounting Office for the cost of any such audit as billed therefor by the Comptroller General, and the General Accounting Office shall deposit the sums so reimbursed into the Treasury as miscellaneous receipts.

SEC. 18. (a) Every insured bank shall display at each place of business maintained by it a sign or signs, and shall include a statement to the effect that its deposits are insured by the Corporation in all of its advertisements: *Provided*, That the Board of Directors may exempt from

this requirement advertisements which do not relate to deposits or when it is impractical to include such statement therein. The Board of Directors shall prescribe by regulation the forms of such signs and the manner of display and the substance of such statements and the manner of use. For each day an insured bank continues to violate any provisions of this subsection or any lawful provisions of said regulations, it shall be subject to a penalty of not more than \$100, which the Corporation may recover for its use.

(b) No insured bank shall pay any dividends on its capital stock or interest on its capital notes or debentures (if such interest is required to be paid only out of net profits) or distribute any of its capital assets while it remains in default in the payment of any assessment due to the Corporation; and any director or officer of any insured bank who participates in the declaration or payment of any such dividend or interest or in any such distribution shall, upon conviction, be fined not more than \$1,000 or imprisoned not more than one year, or both: *Provided*, That, if such default is due to a dispute between the insured bank and the Corporation over the amount of such assessment, this subsection shall not apply, if such bank shall deposit security satisfactory to the Corporation for payment upon final determination of the issue.

(c) Without prior written consent by the Corporation, no insured bank shall (1) merge or consolidate with any noninsured bank or institution or convert into a noninsured bank or institution or (2) assume liability to pay any deposits made in, or similar liabilities of, any noninsured bank or institution or (3) transfer assets to any noninsured bank or institution in consideration of the assumption of liabilities for any portion of the deposits made in such insured bank. No insured bank shall convert into an insured State bank if its capital stock, or its surplus will be less than the capital stock or surplus, respectively, of the converting bank at the time of the shareholders' meeting approving such conversion, without prior written consent by the Comptroller of the Currency if the resulting bank is to be a District bank, or by the Board of Governors of the Federal Reserve System if the resulting bank is to be a State member bank (except a District bank), or by the Corporation if the resulting bank is to be a State nonmember insured bank (except a District bank). No insured bank shall (i) merge or consolidate with an insured State bank under the charter of a State bank or (ii) assume liability to pay any deposits made in another insured bank, if the capital stock or surplus of the resulting or assuming bank will be less than the aggregate capital stock or aggregate surplus, respectively, of all the merging or consolidating banks or of all the parties to the assumption of liabilities, at the time of the shareholders' meetings which authorized the merger or consolidation or at the time of the assumption of liabilities, unless the Comptroller of the Currency shall give prior written consent if the assuming bank is to be a national bank or the assuming or resulting

bank is to be a District bank; or unless the Board of Governors of the Federal Reserve System gives prior written consent if the assuming or resulting bank is to be a State member bank (except a District bank); or unless the Corporation gives prior written consent if the assuming or resulting bank is to be a nonmember insured bank (except a District bank). No insured State nonmember bank (except a District bank) shall, without the prior consent of the Corporation, reduce the amount or retire any part of its common or preferred capital stock, or retire any part of its capital notes or debentures.

(d) No State nonmember insured bank (except a District bank) shall establish and operate any new branch unless it shall have the prior written consent of the Corporation, and no State nonmember insured bank (except a District bank) shall move its main office or any branch from one location to another without such consent. The factors to be considered in granting or withholding the consent of the Corporation under this subsection shall be those enumerated in section 6 of this Act.

(e) The Corporation may require any insured bank to provide protection and indemnity against burglary, defalcation, and other similar insurable losses. Whenever any insured bank refuses to comply with any such requirement the Corporation may contract for such protection and indemnity and add the cost thereof to the assessment otherwise payable by such bank.

(f) Whenever any insured bank (except a national bank or a District bank), after written notice of the recommendations of the Corporation based on a report of examination of such bank by an examiner of the Corporation, shall fail to comply with such recommendations within one hundred and twenty days after such notice, the Corporation shall have the power, and is hereby authorized, to publish only such part of such report of examination as relates to any recommendation not complied with: *Provided*, That notice of intention to make such publication shall be given to the bank at least ninety days before such publication is made.

(g) The Board of Directors shall by regulation prohibit the payment of interest on demand deposits in insured nonmember banks and for such purpose it may define the term "demand deposits"; but such exceptions from this prohibition shall be made as are now or may hereafter be prescribed with respect to deposits payable on demand in member banks by section 19 of the Federal Reserve Act, as amended, or by regulation of the Board of Governors of the Federal Reserve System. The Board of Directors shall from time to time limit by regulation the rates of interest or dividends which may be paid by insured nonmember banks on time and savings deposits, but such regulations shall be consistent with the contractual obligations of such banks to their depositors. For the purpose of fixing such rates of interest or dividends, the Board of Directors shall by regulation prescribe different rates for such pay-

ment on time and savings deposits having different maturities, or subject to different conditions respecting withdrawal or repayment, or subject to different conditions by reason of different locations, or according to the varying discount rates of member banks in the several Federal Reserve districts. The Board of Directors shall by regulation define what constitutes time and savings deposits in an insured nonmember bank. Such regulations shall prohibit any insured nonmember bank from paying any time deposit before its maturity except upon such conditions and in accordance with such rules and regulations as may be prescribed by the Board of Directors, and from waiving any requirement of notice before payment of any savings deposit except as to all savings deposits having the same requirement. For each violation of any provision of this subsection or any lawful provision of such regulations relating to the payment of interest or dividends on deposits or to withdrawal of deposits, the offending bank shall be subject to a penalty of not more than \$100, which the Corporation may recover for its use.

(h) Any insured bank which willfully fails or refuses to file any certified statement or pay any assessment required under this Act shall be subject to a penalty of not more than \$100 for each day that such violations continue, which penalty the Corporation may recover for its use: *Provided*, That this subsection shall not be applicable under the circumstances stated in the proviso of subsection (b) of this section.

SEC. 19. Except with the written consent of the Corporation, no person shall serve as a director, officer, or employee of an insured bank who has been convicted, or who is hereafter convicted, of any criminal offense involving dishonesty or a breach of trust. For each willful violation of this prohibition, the bank involved shall be subject to a penalty of not more than \$100 for each day this prohibition is violated, which the Corporation may recover for its use.

SEC. 20. It is not the purpose of this Act to discriminate in any manner against State nonmember banks and in favor of national or member banks; but the purpose is to provide all banks with the same opportunity to obtain and enjoy the benefits of this Act. No bank shall be discriminated against because its capital stock is less than the amount required for eligibility for admission into the Federal Reserve System.

SEC. 21. The provisions of this Act limiting the insurance of the deposits of any depositor to a maximum less than the full amount shall be independent and separable from each and all of the provisions of this Act.

SEC. 3. (a) The third paragraph of section 709, title 18, United States Code, is amended to read as follows:

“Whoever, except as expressly authorized by Federal law, uses the words ‘Federal Deposit’, ‘Federal Deposit Insurance’, or ‘Federal Deposit Insurance Corporation’ or a combination of any three of these words, as the name or a part thereof under which he or it does business, or

advertises or otherwise represents falsely by any device whatsoever that his or its deposit liabilities, obligations, certificates, or shares are insured or guaranteed by the Federal Deposit Insurance Corporation, or by the United States or by any instrumentality thereof, or whoever advertises that his or its deposits, shares, or accounts are federally insured, or falsely advertises or otherwise represents by any device whatsoever the extent to which or the manner in which the deposit liabilities of an insured bank or banks are insured by the Federal Deposit Insurance Corporation; or”.

(b) The amendment made by subsection (a) of this section shall become effective on January 1, 1951.

SEC. 4. Section 220, title 18, United States Code, is amended to read as follows:

“Whoever, being an officer, director, employee, agent, or attorney of any bank, the deposits of which are insured by the Federal Deposit Insurance Corporation, of a Federal intermediate credit bank, or of a National Agricultural Credit Corporation, except as provided by law, stipulates for or receives or consents or agrees to receive any fee, commission, gift, or thing of value, from any person, firm, or corporation, for procuring or endeavoring to procure for such person, firm, or corporation, or for any other person, firm, or corporation, from any such bank or corporation, any loan or extension or renewal of loan or substitution of security, or the purchase or discount or acceptance of any paper, note, draft, check, or bill of exchange by any such bank or corporation, shall be fined not more than \$5,000 or imprisoned not more than one year or both.”

SEC. 5. Subsection (b) of section 405 of Title IV of the National Housing Act, as amended, is amended to read as follows:

“(b) In the event of a default by any insured institution, payment of each insured account in such insured institution which is surrendered and transferred to the Corporation shall be made by the Corporation as soon as possible either (1) by cash or (2) by making available to each insured member a transferred account in a new insured institution in the same community or in another insured institution in an amount equal to the insured account of such insured member: *Provided*, That the Corporation, in its discretion, may require proof of claims to be filed before paying the insured accounts, and that in any case where the Corporation is not satisfied as to the validity of a claim for an insured account, it may require the final determination of a court of competent jurisdiction before paying such claim.”

Approved September 21, 1950.

LAWs APPLICABLE TO FEDERAL DEPOSIT INSURANCE
CORPORATION AND INSURED BANKS**Principals in crimes**

(a) Whoever commits an offense against the United States, or aids, abets, counsels, commands, induces, or procures its commission, is a principal.

(b) Whoever causes an act to be done, which if directly performed by him would be an offense against the United States, is also a principal and punishable as such. (18 U. S. C. 2)

Offer of bribe to officer or other person

Whoever promises, offers, or gives any money or thing of value, or makes or tenders any check, order, contract, undertaking, obligation, gratuity, or security for the payment of money or for the delivery or conveyance of anything of value, to any officer or employee or person acting for or on behalf of the United States, or any department or agency thereof, in any official function, under or by authority of any such department or agency or to any officer or person acting for or on behalf of either House of Congress, or of any committee of either House, or both Houses thereof, with intent to influence his decision or action on any question, matter, cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, or with intent to influence him to commit or aid in committing, or to collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States, or to induce him to do or omit to do any act in violation of his lawful duty, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than three years, or both.

This section shall not apply to violations of section 212 of this title. (18 U. S. C. 201)

Acceptance or solicitation by officer or other person

Whoever, being an officer or employee of, or person acting for or on behalf of the United States, in any official capacity, under or by virtue of the authority of any department or agency thereof, or an officer or person acting for or on behalf of either House of Congress, or of any committee of either House, or of both Houses thereof, asks, accepts, or receives any money, or any check, order, contract, promise, undertaking, obligation, gratuity, or security for the payment of money, or for the delivery or conveyance of anything of value, with intent to have his decision or action on any question, matter, cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, influenced

thereby, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than three years, or both; and shall forfeit his office or place and be disqualified from holding any office of honor, trust, or profit under the United States.

This section shall not apply to violations of section 213 of this title. (18 U. S. C. 202)

Offer of loan or gratuity to bank examiner

Whoever, being an officer, director or employee of a bank which is a member of the Federal Reserve System or the deposits of which are insured by the Federal Deposit Insurance Corporation, or of any National Agricultural Credit Corporation, or of any land bank, national farm loan association or other institution subject to examination by a farm credit examiner, makes or grants any loan or gratuity, to any examiner or assistant examiner, who examines or has authority to examine such bank, corporation, or institution, shall be fined not more than \$5,000 or imprisoned not more than one year, or both; and may be fined a further sum equal to the money so loaned or gratuity given.

The provisions of this section and section 218 of this title shall apply to all public examiners and assistant examiners who examine member banks of the Federal Reserve System or insured banks, or National Agricultural Credit Corporations, whether appointed by the Comptroller of the Currency, by the Board of Governors of the Federal Reserve System, by a Federal Reserve Agent, by a Federal Reserve Bank or by the Federal Deposit Insurance Corporation, or appointed or elected under the laws of any state; but shall not apply to private examiners or assistant examiners employed only by a clearing-house association or by the directors of a bank. (18 U. S. C. 217)

Acceptance of loan or gratuity by bank examiner

Whoever, being an examiner or assistant examiner of member banks of the Federal Reserve System or banks the deposits of which are insured by the Federal Deposit Insurance Corporation, or a farm credit examiner or examiner of National Agricultural Credit Corporations, accepts a loan or gratuity from any bank, corporation, association or organization examined by him or from any person connected therewith, shall be fined not more than \$5,000 or imprisoned not more than one year, or both; and may be fined a further sum equal to the money so loaned or gratuity given, and shall be disqualified from holding office as such examiner. (18 U. S. C. 218)

Receipt of commissions or gifts for procuring loans

Whoever, being an officer, director, employee, agent, or attorney of any bank, the deposits of which are insured by the Federal Deposit

Insurance Corporation, of a Federal intermediate credit bank, or of a National Agricultural Credit Corporation, except as provided by law, stipulates for or receives or consents or agrees to receive any fee, commission, gift, or thing of value, from any person, firm, or corporation, for procuring or endeavoring to procure for such person, firm, or corporation, or for any other person, firm, or corporation, from any such bank or corporation, any loan or extension or renewal of loan or substitution of security, or the purchase or discount or acceptance of any paper, note, draft, check, or bill of exchange by any such bank or corporation, shall be fined not more than \$5,000 or imprisoned not more than one year or both. (18 U. S. C. 220)

Compensation to Members of Congress, officers and others in matters affecting the Government

Whoever, being a Member of or Delegate to Congress, or a Resident Commissioner, either before or after he has qualified, or the head of a department, or other officer or employee of the United States, or any department or agency thereof, directly or indirectly receives or agrees to receive, any compensation for any services rendered or to be rendered, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter in which the United States is a party or directly or indirectly interested, before any department, agency, court martial, officer, or any civil, military, or naval commission, shall be fined not more than \$10,000 or imprisoned not more than two years, or both; and shall be incapable of holding any office of honor, trust, or profit under the United States. * * * * *

This section shall not apply to any person because of his membership in the National Guard of the District of Columbia nor to any person specially excepted by Act of Congress. (18 U. S. C. 281)

Officers or employees interested in claims against the Government

Whoever, being an officer or employee of the United States or any department or agency thereof, or of the Senate or House of Representatives, acts as an agent or attorney for prosecuting any claim against the United States, or aids or assists in the prosecution or support of any such claim otherwise than in the proper discharge of his official duties, or receives any gratuity, or any share of or interest in any such claim in consideration of assistance in the prosecution of such claim, shall be fined not more than \$10,000 or imprisoned not more than one year, or both. * * * * *

This section shall not apply to any person because of his membership in the National Guard of the District of Columbia nor to any person specially excepted by enactment of Congress. (18 U. S. C. 283)

**Disqualifications of former officers and employees
in matters connected with former duties**

Whoever, having been employed in any agency of the United States, including commissioned officers assigned to duty in such agency, within two years after the time when such employment or service has ceased, prosecutes or acts as counsel, attorney, or agent for prosecuting, any claims against the United States involving any subject matter directly connected with which such person was so employed or performed duty, shall be fined not more than \$10,000 or imprisoned not more than one year, or both. (18 U. S. C. 284)

False, fictitious or fraudulent claims

Whoever makes or presents to any person or officer in the civil, military, or naval service of the United States, or to any department or agency thereof, any claim upon or against the United States, or any department or agency thereof, knowing such claim to be false, fictitious, or fraudulent, shall be fined not more than \$10,000 or imprisoned not more than five years, or both. (18 U. S. C. 287)

Contracts by Member of Congress; exceptions

Whoever, being a Member of or Delegate to Congress, or a Resident Commissioner, either before or after he has qualified, directly or indirectly, himself, or by any other person in trust for him, or for his use or benefit, or on his account, undertakes, executes, holds, or enjoys, in whole or in part, any contract or agreement, made or entered into in behalf of the United States or any agency thereof, by any officer or person authorized to make contracts on its behalf, shall be fined not more than \$3,000.

All contracts or agreements made in violation of this section shall be void; and whenever any sum of money is advanced by the United States or any agency thereof, in consideration of any such contract or agreement, it shall forthwith be repaid; and in case of failure or refusal to repay the same when demanded by the proper officer of the department or agency under whose authority such contract or agreement shall have been made or entered into, suit shall at once be brought against the person so failing or refusing and his sureties for the recovery of the money so advanced. (18 U. S. C. 431)

Officer or employee contracting with Member of Congress

Whoever, being an officer or employee of the United States, on behalf of the United States or any agency thereof, directly or indirectly makes or enters into any contract, bargain, or agreement, with any Member of or Delegate to Congress, or any Resident Commissioner, either before

or after he has qualified, shall be fined not more than \$3,000. (18 U. S. C. 432)

Bonds and obligations of certain lending agencies

Whoever falsely makes, forges, counterfeits or alters any note, bond, debenture, coupon, obligation, instrument, or writing in imitation or purporting to be in imitation of, a note, bond, debenture, coupon, obligation, instrument or writing, issued by the Reconstruction Finance Corporation, Federal Deposit Insurance Corporation, Home Owners' Loan Corporation, Farm Credit Administration, Federal Housing Administration, Federal Farm Mortgage Corporation or any land bank, intermediate credit bank, bank for cooperatives or any lending, mortgage, insurance, credit or savings and loan corporation or association authorized or acting under the laws of the United States, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

Whoever passes, utters, or publishes, or attempts to pass, utter or publish any note, bond, debenture, coupon, obligation, instrument or document knowing the same to have been falsely made, forged, counterfeited or altered, contrary to the provisions of this section, shall be fined not more than \$10,000 or imprisoned not more than five years, or both. (18 U. S. C. 493)

Public money, property or records; theft of

Whoever embezzles, steals, or purloins, or knowingly converts to his use or the use of another, or without authority, sells, conveys or disposes of any record, voucher, money, or thing of value of the United States, or of any department or agency thereof, or any property made or being made under contract for the United States or any department or agency thereof; or

Whoever receives, conceals, or retains the same with intent to convert it to his use or gain, knowing it to have been embezzled, stolen, purloined or converted—

Shall be fined not more than \$10,000 or imprisoned not more than ten years, or both; but if the value of such property does not exceed the sum of \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

The word "value" means face, par, or market value, or cost price, either wholesale or retail, whichever is greater. (18 U. S. C. 641)

Officer or employee of United States converting property of another

Whoever, being an officer or employee of the United States or of any department or agency thereof, embezzles or wrongfully converts to

his own use the money or property of another which comes into his possession or under his control in the execution of such office or employment, or under color or claim of authority as such officer or employee, shall be fined not more than the value of the money and property thus embezzled or converted, or imprisoned not more than ten years, or both; but if the sum embezzled is \$100 or less, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both. (18 U. S. C. 654)

Theft by bank examiner

Whoever, being a bank examiner or assistant examiner, steals, or unlawfully takes, or unlawfully conceals any money, note, draft, bond, or security or any other property of value in the possession of any bank or banking institution which is a member of the Federal Reserve System or which is insured by the Federal Deposit Insurance Corporation, or from any safe deposit box in or adjacent to the premises of such bank, shall be fined not more than \$5,000 or imprisoned not more than five years, or both; but if the amount taken or concealed does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both; and shall be disqualified from holding office as a national bank examiner or Federal Deposit Insurance Corporation examiner.

This section shall apply to all public examiners and assistant examiners who examine member banks of the Federal Reserve System or banks the deposits of which are insured by the Federal Deposit Insurance Corporation, whether appointed by the Comptroller of the Currency, by the Board of Governors of the Federal Reserve System, by a Federal Reserve Agent, by a Federal Reserve bank, or by the Federal Deposit Insurance Corporation, or appointed or elected under the laws of any State; but shall not apply to private examiners or assistant examiners employed only by a clearing-house association or by the directors of a bank. (18 U. S. C. 655)

Theft, embezzlement, or misapplication by bank officer or employee

Whoever, being an officer, director, agent or employee of, or connected in any capacity with any Federal Reserve bank, member bank, national bank or insured bank, or a receiver of a national bank, or any agent or employee of the receiver, or a Federal Reserve Agent, or an agent or employee of a Federal Reserve Agent or of the Board of Governors of the Federal Reserve System, embezzles, abstracts, purloins or willfully misapplies any of the moneys, funds or credits of such bank or any moneys, funds, assets or securities intrusted to the custody or care of such bank, or to the custody or care of any such agent, officer, director, employee or receiver, shall be fined not more than \$5,000 or

imprisoned not more than five years, or both; but if the amount embezzled, abstracted, purloined or misapplied does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

As used in this section, the term "national bank" is synonymous with "national banking association"; "member bank" means and includes any national bank, state bank, or bank and trust company which has become a member of one of the Federal Reserve banks; and "insured bank" includes any bank, banking association, trust company, savings bank, or other banking institution, the deposits of which are insured by the Federal Deposit Insurance Corporation. (18 U. S. C. 656)

Embezzlement from lending, credit and insurance institutions

Whoever, being an officer, agent or employee of or connected in any capacity with the Reconstruction Finance Corporation, Federal Deposit Insurance Corporation, Home Owners' Loan Corporation, Farm Credit Administration, Federal Housing Administration, Federal Farm Mortgage Corporation, Federal Crop Insurance Corporation, Farmers' Home Corporation, the Secretary of Agriculture acting through the Farmers' Home Administration, or any land bank, intermediate credit bank, bank for cooperatives or any lending, mortgage, insurance, credit or savings and loan corporation or association authorized or acting under the laws of the United States, and whoever, being a receiver of any such institution, or agent or employee of the receiver, embezzles, abstracts, purloins or willfully misapplies any moneys, funds, credits, securities or other things of value belonging to such institution, or pledged or otherwise intrusted to its care, shall be fined not more than \$5,000 or imprisoned not more than five years, or both; but if the amount or value embezzled, abstracted, purloined or misapplied does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both. (18 U. S. C. 657)

Official badges, identification cards, other insignia; misuse of

Whoever manufactures, sells, or possesses any badge, identification card, or other insignia, of the design prescribed by the head of any department or agency of the United States for use by any officer or employee thereof, or any colorable imitation thereof, or photographs, prints, or in any other manner makes or executes any engraving, photograph, print, or impression in the likeness of any such badge, identification card, or other insignia, or any colorable imitation thereof, except as authorized under regulations made pursuant to law, shall be fined not more than \$250 or imprisoned not more than six months, or both. (18 U. S. C. 701)

False advertising or misuse of names to indicate Federal agency

Whoever, except as permitted by the laws of the United States, uses the words "national", "Federal", "United States", "reserve", or "Deposit Insurance" as part of the business or firm name of a person, corporation, partnership, business trust, association or other business entity engaged in the banking, loan, building and loan, brokerage, factorage, insurance, indemnity, savings or trust business; or

Whoever falsely advertises or represents, or publishes or displays any sign, symbol or advertisement reasonably calculated to convey the impression that a nonmember bank, banking association, firm or partnership is a member of the Federal reserve system; or

Whoever, except as expressly authorized by Federal law, uses the words "Federal Deposit", "Federal Deposit Insurance", or "Federal Deposit Insurance Corporation" or a combination of any three of these words, as the name or a part thereof under which he or it does business, or advertises or otherwise represents falsely by any device whatsoever that his or its deposit liabilities, obligations, certificates, or shares are insured or guaranteed by the Federal Deposit Insurance Corporation, or by the United States or by any instrumentality thereof, or whoever advertises that his or its deposits, shares, or accounts are federally insured, or falsely advertises or otherwise represents by any device whatsoever the extent to which or the manner in which the deposit liabilities of an insured bank or banks are insured by the Federal Deposit Insurance Corporation; * * * * *

Shall be punished as follows: a corporation, partnership, business trust, association, or other business entity, by a fine of not more than \$1,000; an officer or member thereof participating or knowingly acquiescing in such violation or any individual violating this section, by a fine of not more than \$1,000 or imprisonment for not more than one year, or both.

This section shall not make unlawful the use of any name or title which was lawful on the date of enactment of this title.

A violation of this section may be enjoined at the suit of the United States Attorney, upon complaint by any duly authorized representative of any department or agency of the United States. (18 U. S. C. 709)

Officer or employee of the United States, impersonating

Whoever falsely assumes or pretends to be an officer or employee acting under the authority of the United States or any department, agency or officer thereof, and acts as such, or in such pretended character demands or obtains any money, paper, document, or thing of value, shall be fined not more than \$1,000 or imprisoned not more than three years, or both. (18 U. S. C. 912)

False statements or entries generally

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both. (18 U. S. C. 1001)

Possession of false papers to defraud the United States

Whoever, knowingly and with intent to defraud the United States, or any agency thereof, possesses any false, altered, forged or counterfeited writing or document for the purpose of enabling another to obtain from the United States, or from any agency, officer or agent thereof, any sum of money, shall be fined not more than \$10,000 or imprisoned not more than five years, or both. (18 U. S. C. 1002)

False certification of checks

Whoever, being an officer, director, agent, or employee of any Federal Reserve bank or member bank of the Federal Reserve System, certifies a check before the amount thereof has been regularly deposited in the bank by the drawer thereof, or resorts to any device, or receives any fictitious obligation, directly or collaterally, in order to evade any of the provisions of law relating to certification of checks, shall be fined not more than \$5,000 or imprisoned not more than five years, or both. (18 U. S. C. 1004)

False bank entries, reports and transactions

Whoever, being an officer, director, agent or employee of any Federal Reserve bank, member bank, national bank or insured bank, without authority from the directors of such bank, issues or puts in circulation any notes of such bank; or

Whoever, without such authority, makes, draws, issues, puts forth, or assigns any certificate of deposit, draft, order, bill of exchange, acceptance, note, debenture, bond, or other obligation, or mortgage, judgment or decree; or

Whoever makes any false entry in any book, report, or statement of such bank with intent to injure or defraud such bank, or any other company, body politic or corporate, or any individual person, or to deceive any officer of such bank, or the Comptroller of the Currency, or the Federal Deposit Insurance Corporation, or any agent or examiner appointed to examine the affairs of such bank, or the Board of Governors of the Federal Reserve System—

Shall be fined not more than \$5,000 or imprisoned not more than five years, or both.

As used in this section, the term "national bank" is synonymous with "national banking association"; "member bank" means and includes any national bank, state bank, or bank or trust company, which has become a member of one of the Federal Reserve banks; and "insured bank" includes any state bank, banking association, trust company, savings bank, or other banking institution, the deposits of which are insured by the Federal Deposit Insurance Corporation. (18 U. S. C. 1005)

Federal credit institution false entries, reports and transactions

Whoever, being an officer, agent or employee of or connected in any capacity with the Reconstruction Finance Corporation, Federal Deposit Insurance Corporation, Home Owners' Loan Corporation, Farm Credit Administration, Federal Housing Administration, Federal Farm Mortgage Corporation, Federal Crop Insurance Corporation, Farmers' Home Corporation, the Secretary of Agriculture acting through the Farmers' Home Administration, or any land bank, intermediate credit bank, bank for cooperatives or any lending, mortgage, insurance, credit or savings and loan corporation or association authorized or acting under the laws of the United States, with intent to defraud any such institution or any other company, body politic or corporate, or any individual, or to deceive any officer, auditor, examiner or agent of any such institution or of department or agency of the United States, makes any false entry in any book, report or statement of or to any such institution, or without being duly authorized, draws any order or bill of exchange, makes any acceptance, or issues, puts forth or assigns any note, debenture, bond or other obligation, or draft, bill of exchange, mortgage, judgment, or decree, or, with intent to defraud the United States or any agency thereof, or any corporation, institution, or association referred to in this section, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of any such corporation, institution, or association, shall be fined not more than \$10,000 or imprisoned not more than five years, or both. (18 U. S. C. 1006)

Fraud to influence Federal Deposit Insurance Corporation

Whoever, for the purpose of obtaining any loan from the Federal Deposit Insurance Corporation, or any extension or renewals thereof, or the acceptance, release, or substitution of security therefor, or for the purpose of inducing the Federal Deposit Insurance Corporation to purchase any assets, or for the purpose of obtaining the payment of any insured deposit or transferred deposit or the allowance, approval, or payment of any claim, or for the purpose of influencing in any way the action of the

Federal Deposit Insurance Corporation, makes any statement knowing it to be false, or willfully overvalues any security, shall be fined not more than \$5,000 or imprisoned not more than two years, or both. (18 U. S. C. 1007)

False acknowledgement of appearance or oath

Whoever, being an officer authorized to administer oaths or to take and certify acknowledgments, knowingly makes any false acknowledgment, certificate, or statement concerning the appearance before him or the taking of an oath or affirmation by any person with respect to any proposal, contract, bond, undertaking, or other matter submitted to, made with, or taken on behalf of the United States or any department or agency thereof, concerning which an oath or affirmation is required by law or lawful regulation, or with respect to the financial standing of any principal, surety, or other party to any such proposal, contract, bond, undertaking, or other instrument, shall be fined not more than \$2,000 or imprisoned not more than two years, or both. (18 U. S. C. 1016)

Government seals wrongfully used and instruments wrongfully sealed

Whoever fraudulently or wrongfully affixes or impresses the seal of any department or agency of the United States, to or upon any certificate, instrument, commission, document, or paper or with knowledge of its fraudulent character, with wrongful or fraudulent intent, uses, buys, procures, sells, or transfers to another any such certificate, instrument, commission, document, or paper, to which or upon which said seal has been so fraudulently affixed or impressed, shall be fined not more than \$5,000 or imprisoned not more than five years, or both. (18 U. S. C. 1017)

False official certificates or writings

Whoever, being a public officer or other person authorized by any law of the United States to make or give a certificate or other writing, knowingly makes and delivers as true such a certificate or writing, containing any statement which he knows to be false, in a case where the punishment thereof is not elsewhere expressly provided by law, shall be fined not more than \$500 or imprisoned not more than one year, or both. (18 U. S. C. 1018)

Influencing or injuring witness before agencies and committees

Whoever corruptly, or by threats or force, or by any threatening letter or communication, endeavors to influence, intimidate, or impede any witness in any proceeding pending before any department or agency of the United States, or in connection with any inquiry or investigation

being had by either House, or any committee of either House, or any joint committee of the Congress; or

Whoever injures any party or witness in his person or property on account of his attending or having attended such proceeding, inquiry, or investigation, or on account of his testifying or having testified to any matter pending therein; or

Whoever corruptly, or by threats or force, or by any threatening letter or communication influences, obstructs, or impedes, or endeavors to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department or agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress—

Shall be fined not more than \$5,000 or imprisoned not more than five years, or both. (18 U. S. C. 1505)

Use of mail to defraud or swindle

Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, or to sell, dispose of, loan, exchange, alter, give away, distribute, supply, or furnish or procure for unlawful use any counterfeit or spurious coin, obligation, security, or other article, or anything represented to be or intimated or held out to be such counterfeit or spurious article, for the purpose of executing such scheme or artifice or attempting so to do, places in any post office or authorized depository for mail matter, any matter or thing whatever to be sent or delivered by the Post Office Department, or takes or receives therefrom, any such matter or thing, or knowingly causes to be delivered by mail according to the direction thereon, or at the place at which it is directed to be delivered by the person to whom it is addressed, any such matter or thing, shall be fined not more than \$1,000 or imprisoned not more than five years, or both. (18 U. S. C. 1341)

Perjury generally

Whoever, having taken an oath before a competent tribunal, officer, or person, in any case in which a law of the United States authorizes an oath to be administered, that he will testify, declare, depose, or certify truly, or that any written testimony, declaration, deposition, or certificate by him subscribed, is true, willfully and contrary to such oath states or subscribes any material matter which he does not believe to be true, is guilty of perjury, and shall, except as otherwise expressly provided by law, be fined not more than \$2,000 or imprisoned not more than five years, or both. (18 U. S. C. 1621)

Subornation of perjury

Whoever procures another to commit any perjury is guilty of subornation of perjury, and shall be fined not more than \$2,000 or imprisoned not more than five years, or both. (18 U. S. C. 1622)

Disclosure of confidential information generally

Whoever, being an officer or employee of the United States or of any department or agency thereof, publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law any information coming to him in the course of his employment or official duties or by reason of any examination or investigation made by, or return, report or record made to or filed with, such department or agency or officer or employee thereof, which information concerns or relates to the trade secrets, processes, operations, style of work, or apparatus, or to the identity, confidential statistical data, amount or source of any income, profits, losses, or expenditures of any person, firm, partnership, corporation, or association; or permits any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; shall be fined not more than \$1,000, or imprisoned not more than one year, or both; and shall be removed from office or employment. (18 U. S. C. 1905)

Disclosure of information by bank examiner

Whoever, being an examiner, public or private, discloses the names of borrowers or the collateral for loans of any member bank of the Federal Reserve System, or bank insured by the Federal Deposit Insurance Corporation, examined by him, to other than the proper officers of such bank, without first having obtained the express permission in writing from the Comptroller of the Currency as to a national bank, the Board of Governors of the Federal Reserve System as to a State member bank, or the Federal Deposit Insurance Corporation as to any other insured bank, or from the board of directors of such bank, except when ordered to do so by a court of competent jurisdiction, or by direction of the Congress of the United States, or either House thereof, or any committee of Congress or either House duly authorized, shall be fined not more than \$5,000 or imprisoned not more than one year, or both. (18 U. S. C. 1906)

Examiner performing other services

Whoever, being a national-bank examiner, Federal Deposit Insurance Corporation examiner, farm credit examiner, or an examiner of National Agricultural Credit Corporations, performs any other service, for compensation, for any bank or banking or loan association, or for any officer,

director, or employee thereof, or for any person connected therewith in any capacity, shall be fined not more than \$5,000 or imprisoned not more than one year, or both. (18 U. S. C. 1909)

Bank robbery and incidental crimes

(a) Whoever, by force and violence, or by intimidation, takes or attempts to take, from the person or presence of another any property or money or any other thing of value belonging to, or in the care, custody, control, management, or possession of, any bank, or any savings and loan association; or

Whoever enters or attempts to enter any bank, or any savings and loan association, or any building used in whole or in part as a bank, or as a savings and loan association, with intent to commit in such bank, or in such savings and loan association, or building, or part thereof, so used, any felony affecting such bank or such savings and loan association and in violation of any statute of the United States, or any larceny—

Shall be fined not more than \$5,000 or imprisoned not more than twenty years, or both.

(b) Whoever takes and carries away, with intent to steal or purloin, any property or money or any other thing of value exceeding \$100 belonging to, or in the care, custody, control, management, or possession of any bank, or any savings and loan association, shall be fined not more than \$5,000 or imprisoned not more than ten years, or both; or

Whoever takes and carries away, with intent to steal or purloin, any property or money or any other thing of value not exceeding \$100 belonging to, or in the care, custody, control, management, or possession of any bank, or any savings and loan association, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

(c) Whoever receives, possesses, conceals, stores, barter, sells, or disposes of, any property or money or other thing of value knowing the same to have been taken from a bank, or a savings and loan association, in violation of subsection (b) of this section shall be subject to the punishment provided by said section (b) for the taker.

(d) Whoever, in committing, or in attempting to commit, any offense defined in subsections (a) and (b) of this section, assaults any person, or puts in jeopardy the life of any person by the use of a dangerous weapon or device, shall be fined not more than \$10,000 or imprisoned not more than twenty-five years, or both.

(e) Whoever, in committing any offense defined in this section, or in avoiding or attempting to avoid apprehension for the commission of such offense, or in freeing himself or attempting to free himself from arrest or confinement for such offense, kills any person, or forces any person to accompany him without the consent of such person, shall be imprisoned not less than ten years, or punished by death if the verdict of the jury shall so direct.

(f) As used in this section the term "bank" means any member bank of the Federal Reserve System, and any bank, banking association, trust company, savings bank, or other banking institution organized or operating under the laws of the United States, and any bank the deposits of which are insured by the Federal Deposit Insurance Corporation.

(g) As used in this section the term "savings and loan association" means any Federal savings and loan association and any savings and loan association the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. (18 U. S. C. 2113)

Definition of securities in stolen property law

As used in this chapter: * * *

"Securities" includes any note, stock certificate, bond, debenture, check, draft, warrant, traveler's check, letter of credit, warehouse receipt, negotiable bill of lading, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate; certificate of interest in property, tangible or intangible; instrument or document or writing evidencing ownership of goods, wares, and merchandise, or transferring or assigning any right, title or interest in or to goods, wares, and merchandise; or, in general, any instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, warrant, or right to subscribe to or purchase any of the foregoing, or any forged, counterfeited, or spurious representation of any of the foregoing;

"Value" means the face, par, or market value, whichever is the greatest, and the aggregate value of all goods, wares, and merchandise, securities, and money referred to in a single indictment shall constitute the value thereof. (18 U. S. C. 2311)

Transportation of stolen goods, securities, monies, or articles used in counterfeiting

Whoever transports in interstate or foreign commerce any goods, wares, merchandise, securities or money, of the value of \$5,000 or more, knowing the same to have been stolen, converted or taken by fraud; or

Whoever, with unlawful or fraudulent intent, transports in interstate or foreign commerce any falsely made, forged, altered, or counterfeited securities, knowing the same to have been falsely made, forged, altered, or counterfeited; or

Whoever, with unlawful or fraudulent intent, transports in interstate or foreign commerce, any tool, implement, or thing used or fitted to be used in falsely making, forging, altering, or counterfeiting any security, or any part thereof—

Shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.

This section shall not apply to any falsely made, forged, altered, counterfeited or spurious representation of an obligation or other security of the United States, or of an obligation, bond, certificate, security, treasury note, bill, promise to pay or bank note issued by any foreign government or by a bank or corporation of any foreign country. (18 U. S. C. 2314)

Sale or receipt of stolen goods, securities, or monies

Whoever receives, conceals, stores, barter, sells, or disposes of any goods, wares, or merchandise, securities, or money of the value of \$5,000 or more, or pledges or accepts as security for a loan any goods, wares, or merchandise, or securities, of the value of \$500 or more, moving as, or which are a part of, or which constitute interstate or foreign commerce, knowing the same to have been stolen, unlawfully converted, or taken; or

Whoever receives, conceals, stores, barter, sells or disposes of any falsely made, forged, altered, or counterfeited securities, or pledges or accepts as security for a loan any falsely made, forged, altered, or counterfeited securities, moving as, or which are a part of, or which constitute interstate or foreign commerce, knowing the same to have been so falsely made, forged, altered, or counterfeited; or

Whoever receives in interstate or foreign commerce, or conceals, stores, barter, sells, or disposes of, any tool, implement, or thing used or intended to be used in falsely making, forging, altering, or counterfeiting any security, or any part thereof, moving as, or which is a part of, or which constitutes interstate or foreign commerce, knowing that the same is fitted to be used, or has been used, in falsely making, forging, altering, or counterfeiting any security, or any part thereof—

Shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.

This section shall not apply to any falsely made, forged, altered, counterfeited, or spurious representation of an obligation or other security of the United States or of an obligation, bond, certificate, security, treasury note, bill, promise to pay, or bank note, issued by any foreign government or by a bank or corporation of any foreign country. (18 U. S. C. 2315)

Secret Service powers

The Secretary of the Treasury is authorized to direct and use the Secret Service Division of the Treasury Department to detect, arrest, and deliver into custody any person violating any of the provisions of sections 508 and 509 of this title and, insofar as the Federal Deposit Insurance Corporation, Federal land banks, joint-stock land banks and

national farm loan associations are concerned, of sections 218, 221, 433, 493, 657, 709, 1006, 1007, 1011, 1013, 1014, 1907 and 1909 of this title. (18 U. S. C. 3056)

Insured banks receiving property of foreign States and central banks

* * * * * Whenever (1) any insured bank has received any property from or for the account of a foreign state which is recognized by the Government of the United States, or from or for the account of a central bank of any such foreign state, and holds such property in the name of such foreign state or such central bank; (2) a representative of such foreign state who is recognized by the Secretary of State as being the accredited representative of such foreign state to the Government of the United States has certified to the Secretary of State the name of a person as having authority to receive, control, or dispose of such property; and (3) the authority of such person to act with respect to such property is accepted and recognized by the Secretary of State, and so certified by the Secretary of State to such insured bank, the payment, transfer, delivery, or other disposal of such property by such bank to or upon the order of such person shall be conclusively presumed to be lawful and shall constitute a complete discharge and release of any liability of such bank for or with respect to such property. Any suit or other legal proceeding against any insured bank or any officer, director, or employee thereof, arising out of the receipt, possession, or disposition of any such property shall be deemed to arise under the laws of the United States and the district courts of the United States shall have exclusive jurisdiction thereof, regardless of the amount involved; and any such bank, or any officer, director, or employee thereof which is a defendant in any such suit may, at any time before trial thereof, remove such suit from a State court into the district court of the United States for the proper district by following the procedure for the removal of causes otherwise provided by law. * * * * * (12 U. S. C. 632)

Depositaries of public funds, insured banks

All insured banks designated for that purpose by the Secretary of the Treasury shall be depositaries of public money of the United States (including, without being limited to, revenues and funds of the United States, and any funds the deposit of which is subject to the control or regulation of the United States or any of its officers, agents, or employees, and Postal Savings funds), and the Secretary is hereby authorized to deposit public money in such depositaries, under such regulations as may be prescribed by the Secretary; and they may also be employed as financial agents of the Government; and they shall perform all such reasonable duties, as depositaries of public money and financial agents

of the Government as may be required of them. The Secretary of the Treasury shall require of the insured banks thus designated satisfactory security by the deposit of United States bonds or otherwise, for the safekeeping and prompt payment of public money deposited with them and for the faithful performance of their duties as financial agents of the Government: *Provided*, That no such security shall be required for the safekeeping and prompt payment of such parts of the deposits of the public money in such banks as are insured deposits and each officer, employee, or agent of the United States having official custody of public funds and lawfully depositing the same in an insured bank shall, for the purpose of determining the amount of the insured deposits, be deemed a depositor in such custodial capacity separate and distinct from any other officer, employee, or agent of the United States having official custody of public funds and lawfully depositing the same in the same insured bank in custodial capacity. Notwithstanding any other provision of law, no department, board, agency, instrumentality, officer, employee, or agent of the United States shall issue or permit to continue in effect any regulations, rulings, or instructions, or enter into or approve any contracts or perform any other acts having to do with the deposit, disbursement, or expenditure of public funds, or the deposit, custody, or advance of funds subject to the control of the United States as trustee or otherwise which shall discriminate against or prefer national banking associations, State banks members of the Federal Reserve System, or insured banks not members of the Federal Reserve System, by class, or which shall require those enjoying the benefits, directly or indirectly, of disbursed public funds so to discriminate. All Acts or parts thereof in conflict herewith are hereby repealed. The terms "insured bank" and "insured deposit" as used in this Act shall be construed according to the definitions of such terms in the Act of August 23, 1935 (49 Stat. 684), as amended (12 U. S. C. 265)

Failure to pay circulating notes, national banks

On becoming satisfied, as specified in sections fifty-two hundred and twenty-six and fifty-two hundred and twenty-seven, that any association has refused to pay its circulating notes as therein mentioned, and is in default, the Comptroller of the Currency may forthwith appoint a receiver, and require of him such bond and security as he deems proper. Such receiver, under the direction of the comptroller, shall take possession of the books, records, and assets of every description of such association, collect all debts, dues, and claims belonging to it, and, upon the order of a court of record of competent jurisdiction, may sell or compound all bad or doubtful debts, and, on a like order, may sell all the real and personal property of such association, on such terms as the court shall direct; and may, if necessary

to pay the debts of such association, enforce the individual liability of the stockholders. Such receiver shall pay over all money so made to the Treasurer of the United States, subject to the order of the comptroller, and also make report to the comptroller of all his acts and proceedings.

Provided, That the comptroller may, if he deems proper, deposit any of the money so made in any regular Government depository, or in any State or national bank either of the city or town in which the insolvent bank was located, or of a city or town as adjacent thereto as practicable; if such deposit is made he shall require the depository to deposit United States bonds or other satisfactory securities with the Treasurer of the United States for the safe-keeping and prompt payment of the money so deposited: *Provided*, That no security in the form of deposit of United States bonds, or otherwise, shall be required in the case of such parts of the deposits as are insured under section 12B of the Federal Reserve Act, as amended. Such depository shall pay upon such money interest at such rate as the comptroller may prescribe, not less, however, than 2 per centum per annum upon the average monthly amount of such deposits. (12 U. S. C. 192)

Bankruptcy funds, deposit of

The judges of the several courts of bankruptcy shall designate, by order, banking institutions as depositories for the money of estates under this title, as convenient as may be to the residences of receivers and trustees, and shall require from each such banking institution a good and sufficient bond with surety, to secure the prompt repayment of the deposit. Said judges may, in accordance with the provisions of, and the authority conferred in section 1126 of the Revenue Act of 1926, as amended¹ accept the deposit of the securities therein designated, in lieu of a surety or sureties upon such bond and may, from time to time as occasion may require, by like order increase or decrease the number of depositories or the amount of any bond or other security or change such depositories: *Provided*, That no security in the form of a bond or otherwise shall be required in the case of such part of the deposits as are insured under section 264 of Title 12, as amended: *And provided further*, That depository banks shall place such securities, accepted for deposit in lieu of a surety or sureties upon depository bonds, in the custody of Federal Reserve banks or branches thereof designated by the judges of the several courts of bankruptcy, subject to the orders of such judges. All national banking associations designated as depositories, pursuant to the provisions of this section of this title, are authorized to give such security as may be required. All pledges of securities heretofore made for the purposes herein named are hereby ratified, validated and approved. (11 U. S. C. 101)

¹ See, however, Section 19 of the Federal Reserve Act, as amended by Sec. 324 (c) of the Banking Act of 1935. (U. S. C., Title 12, Sec. 371a.)

Postal Savings funds, deposit of

Postal savings funds received under the provisions of this chapter shall be deposited in solvent banks, whether organized under national or State laws, and whether member banks or not of the Federal reserve system, being subject to national or State supervision and examination, and the sums deposited shall bear interest at the rate of not less¹ than $2\frac{1}{4}$ per centum per annum, which rate shall be uniform throughout the United States and Territories thereof; but 5 per centum of such funds shall be withdrawn by the board of trustees and kept with the Treasurer of the United States, who shall be treasurer of the board of trustees, in lawful money as a reserve. The board of trustees shall take from such banks such security in public bonds or other securities, authorized by Act of Congress or supported by the taxing power, as the board may prescribe, approve, and deem sufficient and necessary to insure the safety and prompt payment of such deposits on demand: *Provided*, That no such security shall be required in case of such part of the deposits as are insured under section 12B of the Federal Reserve Act, as amended. (39 U. S. C. 759)

Indian funds, deposit of

The Secretary of the Interior is hereby authorized in his discretion, and under such rules and regulations as he may prescribe, to withdraw from the United States Treasury and to deposit in banks to be selected by him the common or community funds of any Indian tribe which are, or may hereafter be, held in trust by the United States and on which the United States is not obligated by law to pay interest at higher rates than can be procured from the banks. The said Secretary is also authorized, under such rules and regulations as he may prescribe, to deposit in banks to be selected by him the funds held in trust by the United States for the benefit of individual Indians: *Provided*, That no individual Indian money shall be deposited in any bank until the bank shall have agreed to pay interest thereon at a reasonable rate, subject, however, to the regulations of the Board of Governors of the Federal Reserve System in the case of member banks, and of the Board of Directors of the Federal Deposit Insurance Corporation in the case of insured non-member banks, except that the payment of interest may be waived in the discretion of the Secretary of the Interior on any deposit which is payable on demand: *Provided further*, That no tribal or individual Indian money shall be deposited in any bank until the bank shall have furnished an acceptable bond or pledged collateral security therefor in the form of any public-debt obligations of the United States and any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States, except that no such bond or collateral shall be required to be furnished by any such bank which

is entitled to the benefits of section 264 of Title 12, with respect to any deposits of such tribal or individual funds to the extent that such deposits are insured under such section: *Provided, however,* That nothing contained in this section, or in section 264 of Title 12, shall operate to deprive any Indian having unrestricted funds on deposit in any such bank of the full protection afforded by section 264 of Title 12, irrespective of any interest such Indian may have in any restricted Indian funds on deposit in the same bank to the credit of a disbursing agent of the United States. For the purpose of this section and section 264 of Title 12, said unrestricted funds shall constitute a separate and distinct basis for an insurance claim: *Provided further,* That the Secretary of the Interior, if he deems it advisable and for the best interest of the Indians, may invest the trust funds of any tribe or individual Indian in any public-debt obligations of the United States and in any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States: *And provided further,* That the foregoing shall apply to the funds of the Osage Tribe of Indians, and the individual members thereof, only with respect to the deposit of such funds in banks. (25 U. S. C. 162 (a))

NATIONAL BANK CONVERSION ACT

[PUBLIC LAW 706—81ST CONGRESS]

[CHAPTER 729—2D SESSION]

[H. R. 1161]

AN ACT

To provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DEFINITIONS

SECTION 1. (a) As used in this Act the term "State bank" means any bank, banking association, trust company, savings bank (other than a mutual savings bank), or other banking institution which is engaged in the business of receiving deposits and which is incorporated under the laws of any State, any Territory of the United States, Puerto Rico, or the Virgin Islands, or which is operating under the Code of Law for the District of Columbia (except a national banking association).

(b) For purposes of merger or consolidation under this Act the term "national banking association" means one or more national banking associations, and the term "State bank" means one or more State banks.

CONVERSION OF NATIONAL BANK INTO AND MERGER OR
CONSOLIDATION WITH STATE BANK; PROCEDURE

SEC. 2. A national banking association may, by vote of the holders of at least two-thirds of each class of its capital stock, convert into, or merge or consolidate with, a State bank in the same State in which the national banking association is located, under a State charter, in the following manner:

(a) The plan of conversion, merger, or consolidation must be approved by a majority of the entire board of directors of the national banking association. The bank shall publish notice of the time, place, and object of the shareholders' meeting to act upon the plan, in some newspaper with general circulation in the place where the principal office of the national banking association is located, at least once a week for four consecutive weeks: *Provided*, That newspaper publication may be dispensed with entirely if waived by all the shareholders and in the case of a merger or consolidation one publication at least ten days before the meeting shall be sufficient if publication for four weeks is waived by holders of at least two-thirds of each class of capital stock and prior written consent of the Comptroller of the Currency is obtained. The national banking association shall send such notice to each shareholder of record by registered mail at least ten days prior to the meeting, which notice may be waived specifically by any shareholder.

(b) A shareholder of a national banking association who votes against the conversion, merger, or consolidation, or who has given notice in writing to the bank at or prior to such meeting that he dissents from the plan, shall be entitled to receive in cash the value of the shares held by him, if and when the conversion, merger, or consolidation is consummated, upon written request made to the resulting State bank at any time before thirty days after the date of consummation of such conversion, merger, or consolidation, accompanied by the surrender of his stock certificates. The value of such shares shall be determined as of the date on which the shareholders' meeting was held authorizing the conversion, merger, or consolidation, by a committee of three persons, one to be selected by unanimous vote of the dissenting shareholders entitled to receive the value of their shares, one by the directors of the resulting State bank, and the third by the two so chosen. The valuation agreed upon by any two of three appraisers thus chosen shall govern; but, if the value so fixed shall not be satisfactory to any dissenting shareholder who has requested payment as provided herein, such shareholder may within five days after being notified of the appraised value of his shares appeal to the Comptroller of the Currency, who shall cause a reappraisal

to be made, which shall be final and binding as to the value of the shares of the appellant. If, within ninety days from the date of consummation of the conversion, merger, or consolidation, for any reason one or more of the appraisers is not selected as herein provided, or the appraisers fail to determine the value of such shares, the Comptroller shall upon written request of any interested party, cause an appraisal to be made, which shall be final and binding on all parties. The expenses of the Comptroller in making the reappraisal, or the appraisal as the case may be, shall be paid by the resulting State bank. The plan of conversion, merger, or consolidation shall provide the manner of disposing of the shares of the resulting State bank not taken by the dissenting shareholders of the national banking association.

SAME ENTITY

SEC. 3. The franchise of a national banking association as a national banking association shall automatically terminate when its conversion into or its merger or consolidation with a State bank under a State charter is consummated and the resulting State bank shall be considered the same business and corporate entity as the national banking association, although as to rights, powers, and duties the resulting bank is a State bank. Any reference to such national banking association in any contract, will, or document shall be considered a reference to the State bank if not inconsistent with the provisions of the contract, will, or document or applicable law.

CONTRAVENTION WITH STATE LAW

SEC. 4. No conversion of a national banking association into a State bank or its merger or consolidation with a State bank shall take place under this Act in contravention of the law of the State in which the national banking association is located; and no such conversion, merger, or consolidation shall take place under this Act unless under the law of the State in which such national banking association is located State banks may without approval by any State authority convert into and merge or consolidate with national banking associations as provided by Federal law.

CONSENT OF FEDERAL AGENCIES

SEC. 5. Section 12B (v) (4) of the Federal Reserve Act (title 12, U.S.C., sec. 264 (v) (4)), is amended to read as follows:

“(4) Without prior written consent by the Corporation, no insured bank shall (a) merge or consolidate with any noninsured bank or institution or convert into a noninsured bank or institution or (b) assume liability to pay any deposits made in, or similar liabilities of, any noninsured bank or institution or (c) transfer assets to any noninsured bank or institution in consideration of

the assumption of liabilities for any portion of the deposits made in such insured bank. No insured bank shall convert into an insured State bank if its capital stock, or its surplus will be less than the capital stock or surplus, respectively, of the converting bank at the time of the shareholders' meeting approving such conversion, without prior written consent by the Comptroller of the Currency if the resulting bank is to be a District bank, or by the Board of Governors of the Federal Reserve System if the resulting bank is to be a State member bank (except a District bank), or by the Corporation if the resulting bank is to be a State nonmember insured bank (except a District bank). No insured bank shall (a) merge or consolidate with an insured State bank under the charter of a State bank or (b) assume liability to pay any deposits made in another insured bank, if the capital stock or surplus of the resulting or assuming bank will be less than the aggregate capital stock or aggregate surplus, respectively, of all the merging or consolidating banks or of all the parties to the assumption of liabilities, at the time of the shareholders' meetings which authorized the merger or consolidation or at the time of the assumption of liabilities, unless the Comptroller of the Currency shall give prior written consent if the assuming bank is to be a national bank or the assuming or resulting bank is to be a District bank; or unless the Board of Governors of the Federal Reserve System gives prior written consent if the assuming or resulting bank is to be a State member bank (except a District bank); or unless the Corporation gives prior written consent if the assuming or resulting bank is to be a nonmember insured bank (except a District bank). No insured State nonmember bank (except a District bank) shall, without the prior consent of the Corporation, reduce the amount or retire any part of its common or preferred capital stock, or retire any part of its capital notes or debentures."

CONTINUED DEPOSIT INSURANCE

SEC. 6. Section 12B (e) (2) of the Federal Reserve Act (title 12, U.S.C., sec. 264 (e) (2)), is amended by adding at the end thereof the following sentences: "A State bank, resulting from the conversion of an insured national bank, shall continue as an insured bank. A State bank, resulting from the merger or consolidation of insured banks, or from the merger or consolidation of a noninsured bank or institution with an insured State bank, shall continue as an insured bank."

EFFECT OF TERMINATION OF INSURANCE OF MEMBER BANKS

SEC. 7. The last sentence of section 12B (i) (2) of the Federal Reserve Act (12 U.S.C., sec. 264 (1) (2)), is amended to read as follows: "Except as provided in paragraph (2) of subsection (e) of this section, whenever

a member bank shall cease to be a member of the Federal Reserve System, its status as an insured bank shall, without notice or other action by the board of directors, terminate on the date the bank shall cease to be a member of the Federal Reserve System, with like effect as if its insured status had been terminated on said date by the board of directors after proceedings under paragraph (1) of this subsection."

CONTINUED MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

SEC. 8. Section 9 of the Federal Reserve Act (title 12, U.S.C., sec. 321), as amended, is amended by inserting after the first paragraph thereof the following new paragraph:

"Upon the conversion of a national bank into a State bank, or the merger or consolidation of a national bank with a State bank which is not a member of the Federal Reserve System, the resulting or continuing State bank may be admitted to membership in the Federal Reserve System by the Board of Governors of the Federal Reserve System in accordance with the provisions of this section, but, otherwise, the Federal Reserve bank stock owned by the national bank shall be canceled and paid for as provided in section 5 of this Act. Upon the merger or consolidation of a national bank with a State member bank under a State charter, the membership of the State bank in the Federal Reserve System shall continue."

SEPARABILITY CLAUSE

SEC. 9. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Approved August 17, 1950.

**RULES AND REGULATIONS OF THE
FEDERAL DEPOSIT INSURANCE CORPORATION ¹**

Subchapter A—Procedure and Rules of Practice

PART 301—INTRODUCTORY AND AUTHORITY

§ 301.1 *Scope.* The rules contained in this subchapter are promulgated pursuant to the provisions of the Administrative Procedure Act (60 Stat. 237), the Federal Deposit Insurance Act (Act of Sept. 21, 1950, Pub. Law 797, 81st Cong.), and other applicable laws. In accordance with the provisions of section 3 (a) (2) of the Administrative Procedure Act (sec. 3 (a) (2), 60 Stat. 238) they state the general course and method by which the Corporation's functions with respect to deposit insurance are channeled and determined, including the nature and requirements of formal or informal procedures available as well as forms and instructions as to the scope and contents of papers and reports. This subchapter also includes appropriate provisions with respect to rule making, adjudications, and hearings, as prescribed by law.

Proceedings by the Corporation within the meaning of this subchapter include:

- (a) The formulation and promulgation of rules and regulations, including amendments thereto or the repeal thereof;
- (b) The disposition of applications, requests, and submittals;
- (c) Formal hearings and adjudications.

(Sec. 9, Pub. Law 797, 81st Cong.)

**PART 302—FORMULATION AND PROMULGATION OF
RULES AND REGULATIONS**

Sec.

- 302.1 Notice.
- 302.2 Public participation.
- 302.3 Formulation of rules.
- 302.4 Petitions.
- 302.5 Effective date.
- 302.6 Exceptions.
- 302.7 Amendment and repeal.

AUTHORITY: §§ 302.1 to 302.7 issued under sec. 9, Pub. Law 797, 81st Cong.

§ 302.1 *Notice.* General notice of proposed rule making, including amendments thereto or repeal thereof, will be published in the **FEDERAL REGISTER**, except as specified in § 302.6, or otherwise excepted by law.

¹Rules and Regulations published in Federal Register of December 6, 1950 (15 F.R. 8623) with effective date of January 6, 1951, as revision of Chapter III, Title 12, Code of Federal Regulations.

Such notice will include either the terms or substance of the proposed rule or a description of the subjects and issues involved, reference to the authority under which the rule is proposed, and a statement of the time, place, and nature of the public proceedings for making the rule.

§ 302.2 *Public participation.* Interested persons will be afforded an opportunity to participate in the making of any rule, except as specified in § 302.6, or otherwise excepted by law, through the submission of written data, views, or arguments, unless the board of directors shall specifically provide an opportunity for the oral presentation thereof.

§ 302.3 *Formulation of rules.* After consideration of all relevant matter presented, the Committee on Administration will submit its recommendations to the board of directors and, in collaboration with appropriate Divisions, will prepare drafts of any proposed rules or amendments. The board of directors will take such action thereon as it deems appropriate and in any rule adopted will incorporate therein a concise general statement of its basis and purpose.

§ 302.4 *Petitions.* Any interested person may petition the Corporation for the issuance, amendment, or repeal of any rule by submitting such petition in writing together with a complete and concise statement of the petitioner's interest in the subject matter and the reasons why the petition should be granted. Such petition should be submitted to the Secretary.

§ 302.5 *Effective date.* Any rule issued by the Corporation will be published or served not less than thirty (30) days prior to the effective date thereof except as specified in § 302.6 or otherwise excepted by law.

§ 302.6 *Exceptions.* Whenever the Corporation finds that notice of, and public participation in, rule making is impracticable, unnecessary, or contrary to the public interest, or there is good cause why the effective date of any rule should not be deferred for thirty (30) days, the provisions of §§ 302.1, 302.2, and 302.5 shall not apply; and any such rule when published will incorporate the finding and a brief statement of the reasons therefor.

§ 302.7 *Amendment and repeal.* The right to alter, amend, or repeal the whole or any part of any rule except as otherwise provided by law, is expressly reserved.

PART 303—APPLICATIONS, REQUESTS, AND SUBMITTALS

Sec.

- 303.1 Application by nonmember bank for deposit insurance.
- 303.2 Application by State nonmember insured bank to establish a branch.
- 303.3 Application by State nonmember insured bank to move main office or branch.

- 303.4 Application by insured State nonmember bank to reduce or retire capital.
- 303.5 Application for conversion, merger, consolidation, assumption and sale of asset transactions.
- 303.6 Application by State nonmember insured bank to extend its corporate or charter powers.
- 303.7 Application to continue or resume insured status.
- 303.8 Applications for use of other official sign or for exemption from advertising requirements.
- 303.9 Other applications.
- 303.10 Procedure on applications.
- 303.11 Notice of disposition of application.

AUTHORITY: §§ 303.1 to 303.11 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply secs. 5, 6, 8, 18, 19, Pub. Law, 797, 81st Cong.

§ 303.1 *Application by nonmember bank¹ for deposit insurance.* Application for deposit insurance by an existing or proposed State nonmember bank should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the bank or proposed bank is or will be located. Any such application (a) by an existing bank must be accompanied by separate applications for the consent of the Corporation to the continued operation of each branch which it proposes to continue to operate; (b) by a proposed bank must be accompanied by a separate application for the consent of the Corporation to establish and operate each proposed branch. The appropriate forms of application and instructions for completing the same may be obtained upon request from the Supervising Examiner of the District in which the application originates. (See Part 304 of this subchapter for list of forms and instructions.)²

§ 303.2 *Application by State nonmember insured bank to establish a branch.³* Application by a State nonmember insured bank (except a District bank) to establish and operate a new branch should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the bank is located. The appropriate form of application and instructions for completing the same may be obtained upon request from the Supervising Examiner of the District in which the application originates. (See Part 304 of this subchapter for list of forms and instructions.)

§ 303.3 *Application by State nonmember insured bank to move main office or branch.* Application for the consent of the Corporation to move the main office or branch of a State nonmember insured bank (except a

¹ A nonmember bank is a bank which is not a member of the Federal Reserve System.

² For information concerning applications for deposit insurance by national nonmember banks, inquiries should be addressed to the Chief of the Division of Examination. Washington 25, D. C.

³ "The term 'branch' includes any branch bank, branch office, branch agency, additional office, or any branch place of business located in any State of the United States or in any Territory of the United States, Puerto Rico, or the Virgin Islands at which deposits are received or checks paid or money lent." (Sec. 3 (c) (Pub. Law 797, 81st Cong.))

District bank) should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the bank is located. The appropriate form of application and instructions for completing the same may be obtained upon request from the Supervising Examiner of the District in which the application originates. (See Part 304 of this subchapter for list of forms and instructions.)

§ 303.4 *Application by insured State nonmember bank to reduce or retire capital.* Application for the consent of the Corporation to the reduction in the amount, or retirement of any part, of the common or preferred capital stock, or retirement of any part of the capital notes or debentures, of an insured State nonmember bank (except a District bank) should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the bank is located. The appropriate form of application and instructions for completing the same may be obtained upon request from the Supervising Examiner of the District in which the application originates. (See Part 304 of this subchapter for list of forms and instructions.)

§ 303.5 *Application for conversion, merger, consolidation, assumption and sale of asset transactions—(a) With noninsured bank or institution.* Application by an insured bank for the consent of the Corporation to merge or consolidate with a noninsured bank or institution, or to convert into a noninsured institution, or to assume liability to pay any deposits made in, or similar liabilities of, any noninsured bank or institution, or to transfer assets to any noninsured bank or institution in consideration of the assumption of liability for any portion of the deposits made in such insured bank, together with copies of all agreements or proposed agreements relating thereto, should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the insured bank is located. The appropriate form of application and instructions for completing the form as well as instructions concerning notice to depositors, may be obtained upon request from the office of said Supervising Examiner.

(b) *Conversion with diminution of capital or surplus.* Application for the consent of the Corporation to convert into an insured State nonmember bank (except a District bank)—when the conversion will result in the converted bank having less capital stock or surplus than the converted bank at the time of the shareholders' meeting approving such conversion—together with copies of the charter and/or articles of association of the converted bank, should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the insured bank is located. The appropriate form of application and instructions for completing the form may be obtained upon request from the office of said Supervising Examiner.

(c) *Merger, consolidation or assumption with diminution of capital or surplus.* Application for the consent of the Corporation to merge or

consolidate under the charter of a State bank, or assume the liability to pay any deposits made in another insured bank—when the resulting or assuming bank is to be an insured State nonmember bank (except a District bank) and where the capital stock or surplus of the resulting or assuming bank will be less than the aggregate capital stock or aggregate surplus, respectively, of all the merging or consolidating banks or of all the parties to the assumption of liabilities, at the time of the shareholders' meetings which authorized the merger or consolidation or at the time of such assumption—together with copies of all agreements or proposed agreements, charters and articles of association relating thereto, should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the resulting or assuming bank is located. The appropriate form of application and instructions for completing the same may be obtained upon request from the office of said Supervising Examiner.

§ 303.6 *Application by State nonmember insured bank to extend its corporate or charter powers.* Application for the consent of the Corporation to the extension of the corporate or charter powers of a State nonmember insured bank (except a District bank) should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the bank is located. The appropriate form of application and instructions for completing the same may be obtained upon request from the Supervising Examiner of the District in which the application originates. (See Part 304 of this subchapter for list of forms and instructions.)

§ 303.7 *Application to continue or resume insured status.* Application under § 327.3 (c) of this chapter by a bank whose insured status has been terminated, to be permitted to continue or to resume its status as an insured bank, should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the bank is located. Such application should be (a) in writing; (b) signed by the president, or cashier, or other managing officer of the bank; (c) accompanied by a certified copy of the resolution of its board of directors authorizing the submission of such application; and should contain (d) a statement that the bank's insured status has been terminated, the date thereof, and the basis therefor, that the insurance of its deposits has not ceased, and that it applies for permission to continue or resume its status as an insured bank; and (e) the reasons why the continuance or resumption of such status should be permitted by the Corporation.

§ 303.8 *Application for use of other official sign or for exemption from advertising requirements.* Any application made by an insured bank under any of the provisions of Part 328 of this chapter should be filed with the Division of Examination of the Corporation at its principal office. Such application should (a) be in writing; (b) be signed by the president, or cashier, or other managing officer of the bank; and (c)

state, in conformity with the particular provision in respect of which the application is made, the reason for the request in detail and the reason why the application should be granted and in case of an official sign should be accompanied by a sample of the proposed sign.

§ 303.9 *Other applications.* Except as otherwise provided by rule or regulation, all applications, requests, and submittals for which no form of application has been prescribed by the Corporation, should be (a) in writing; (b) signed by the applicant or his duly authorized agent; and (c) should contain a statement of the applicant's interest therein, a complete and concise statement of the action requested and the reasons and facts relied upon as the basis for such requested action; and should be addressed to the Secretary at the principal office of the Corporation. The applicant shall furnish such other pertinent information as may be required by the Corporation.

Whenever applicable the forms specified in Part 304 of this subchapter should be used and the instructions issued with respect thereto should be followed and submission made as therein provided.

§ 303.10 *Procedure on applications.* With respect to applications for deposit insurance under § 303.1, the Division of Examination of the Corporation will cause an investigation to be conducted, and an examination to be made of the bank or proposed bank; and the board of directors will thereafter, in accordance with applicable provisions of law, act upon such application, the report of such investigation and examination, the recommendations thereon of the examiner and Supervising Examiner of the District in which the bank is or will be located, of the Division of Examination and of the Board of Review, and the legal opinion of counsel for the Corporation. The applicant bank will be duly advised of the board's decision upon such application.

With respect to all other applications, requests, or submittals the board of directors will cause such an investigation or examination, or both, to be made by the proper Divisions of the Corporation, as the board shall deem appropriate, and upon the report of such investigation and examination, and the recommendations thereon, will take such action as it shall deem necessary or appropriate in the premises.

§ 303.11 *Notice of disposition of application.* Prompt notice will be given of the grant or denial, in whole or in part, of any written application, petition, or other request of any interested person made in connection with any agency proceeding. In the case of a denial, except in affirming a prior denial, or where the same is self-explanatory, such notice will be accompanied by a simple statement of procedural or other grounds.

PART 304—FORMS, INSTRUCTIONS, AND REPORTS

Sec.

304.1 Certified statements.

304.2 Reports of condition, etc.

304.3 Forms and instructions.

AUTHORITY: §§ 304.1 to 304.3 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply secs. 5-8, 10, 18, 19, Pub. Law 797, 81st Cong.

§ 304.1 *Certified statements.* The certified statements required to be filed by insured banks in accordance with the provisions of section 7 of the Federal Deposit Insurance Act shall be filed with the Fiscal Agent of the Corporation upon the forms, and in the manner, and pursuant to the instructions prescribed by the board of directors; and the assessments required to be certified must be paid to the Corporation at the time such statements are required to be filed. The form of certified statement and instructions for completing the same will be furnished to all insured banks by, or may be obtained upon request from, the Fiscal Agent.

§ 304.2 *Reports of condition, etc.* Whenever required by the board of directors pursuant to law, insured State nonmember banks (except District banks) should file reports of condition, reports of earnings and dividends, and summaries of deposits, with the Division of Research and Statistics upon the forms, and in the manner, and pursuant to the instructions, prescribed by the board of directors from time to time. The form of such reports and instructions for completing the same will be furnished to all such banks by, or may be obtained upon request from, the Division of Research and Statistics.

§ 304.3 *Forms and instructions.* The following forms and instructions have been prepared by the Corporation for the use of banks and may be obtained by any person properly and directly concerned therewith upon request at the office designated in this chapter:

(a) *Form 82:*¹ *Application of Proposed Bank (other than mutual savings) for Federal Deposit Insurance.* The proposed incorporators are required to make statements and representations and to submit information with respect to the several factors enumerated in section 6 of the Federal Deposit Insurance Act. The application on Form 82 must be executed in quadruplicate. Three applications signed by the proposed incorporators must be forwarded to the Supervising Examiner and the other application retained by the prospective incorporators. Applications filed on Form 82 must be accompanied by a certified copy of the proposed Articles of Incorporation or Association and the requisite number of

¹ If the proposed bank contemplates the establishment of a branch or branches, its application on Form 82 must be accompanied by a properly executed Form 85 for each branch. Form 85-M is to be used where the proposed bank is to be a mutual savings bank.

properly executed Forms 83. After incorporation is duly effected, the bank must submit a properly executed Form 82a.

(b) *Form 82-M:*¹ *Application of Proposed Mutual Savings Bank for Federal Deposit Insurance.* Form 82-M, which is substantially the same as Form 82, should be used when the proposed bank is to be a mutual savings bank, and should be prepared and submitted in the same manner as Form 82.

(c) *Form 82a and Form 82a-M: Certificate of Adoption of Resolution.* Form 82a is a copy of the Resolution of the board of directors (or trustees) of the bank approving the action of the prospective incorporators in preparing and presenting its application for Federal deposit insurance on Form 82 or 82-M, certified to be a true and correct copy by the president or vice president and cashier or secretary. After incorporation has been duly effected and the bank is chartered to do business by the proper state authority, four properly executed Forms 82a must be transmitted to the Supervising Examiner. If not previously submitted, Form 82a must be accompanied by a copy of the bank's Articles of Incorporation or Association and a copy of the bank's license or authorization to engage in the business of receiving deposits.

(d) *Form 84:*² *Application for Federal Deposit Insurance by an existing noninsured State bank (other than mutual savings).* The applicant bank is required to submit statements, representations, and information with respect to the several factors enumerated in section 6 of the Federal Deposit Insurance Act, and a copy of the resolution of its board of directors authorizing the bank's president or vice president and cashier or secretary to make the application. The application must be executed in quadruplicate, signed by such officers and the bank's corporate seal affixed thereto. Three signed applications must be forwarded to the Supervising Examiner and the other application retained by the bank as part of its permanent records. Applications filed on Form 84 must be accompanied by the requisite number of properly executed Forms 83 and a certified copy of the Articles of Incorporation or Association, including any amendments thereto.

(e) *Form 84-M:*² *Application for Federal Deposit Insurance by an existing noninsured mutual savings bank.* Form 84-M, which is substantially the same as Form 84, should be used by mutual savings banks, and should be prepared and submitted in the same manner as Form 84.

(f) *Form 83 and Form 83-M: Financial Statement.* Form 83 must be executed in triplicate and certified to be true and correct by each individual director (or trustee) and officer of the bank or proposed bank (who is solely responsible for its contents) for the benefit of the board of directors of the Corporation in determining, with respect to the

¹ If the proposed bank contemplates the establishment of a branch or branches, its application on Form 82 must be accompanied by a properly executed Form 85 for each branch. Form 85-M is to be used where the proposed bank is to be a mutual savings bank.

² If the bank has a branch or branches, its application on Form 84 must be accompanied by a properly executed Form 85 for each branch. Form 85-M is to be used where the bank is a mutual savings bank.

applicant bank, the general character of its management in accordance with section 6 of the Federal Deposit Insurance Act. The requisite number of properly executed and signed Forms 83 must accompany each application on Form 82, Form 82-M, Form 84, or Form 84-M.

(g) *Form 85, Form 85a and Form 85b: Application of State non-member insured bank (except District bank and mutual savings bank) to establish or move its main office or branch.* (1) Form 85 is an application to establish a branch. The applicant bank is required to submit statements, representations and information with respect to the several factors enumerated in section 6 of the Federal Deposit Insurance Act and a copy of the resolution of its board of directors authorizing the bank's president or vice president and cashier or secretary to make the application. The application must be executed in quadruplicate, signed by the president or vice president, have the corporate seal of the bank affixed thereto, and be attested by the cashier or secretary. Three signed applications must be forwarded to the Supervising Examiner and the other application retained in the files of the bank as part of its permanent records. The application must be accompanied by a certified copy of the bank's Articles of Incorporation or Association, including any amendments thereto unless previously submitted to the Corporation and not subsequently amended.

(2) Form 85a is an application to move main office or branch. It is similar to Form 85 and should be prepared and submitted in the same manner as Form 85.

(3) Form 85b is an application to establish a branch pursuant to designation as depository and financial agent of the United States Government. It is similar to Form 85 and should be prepared and submitted in the same manner as Form 85.

(h) *Form 85-M and Form 85a-M: Application by insured nonmember mutual savings bank to establish a branch or move its main office or branch.*

(1) Form 85-M is substantially the same as Form 85 and should be prepared and submitted in the same manner as Form 85.

(2) Form 85a-M is substantially the same as Form 85a and should be prepared and submitted in the same manner as Form 85.

(i) *Form 100: Application for Consent to Retirement of Common or Preferred Stock, Capital Notes, or Debentures.* The applicant bank is required to submit statements with respect to the nature of the proposal, source of funds to effect the proposal, and other steps involved in the retirement. The application contains a statement of assets and liabilities and the disposition of certain assets adversely classified in the preceding Report of Examination made of the bank by examiners of the Corporation. Three applications certified to be true and correct and signed by the president or cashier of the bank must be forwarded to the Supervising Examiner.

(j) *Form 102: Application.* Form 102 should be used by all banks

applying for the consent of the Corporation with respect to any application requiring such consent and for which no specific form is prescribed by this section or otherwise. The form contains a copy of the resolution of the bank's board of directors describing the proposal and authorizing the application, a statement of the action taken upon the proposal by the proper state banking authority, where such action is required, and must be signed by the president or vice president and attested by the cashier or secretary. The application must be accompanied by a copy of the bank's Articles of Incorporation or Association including any amendments thereto unless previously submitted to the Corporation and not subsequently amended. The application must be executed in quadruplicate. Three signed applications must be submitted to the Supervising Examiner of the District wherein the bank is located and one copy retained in the bank's files.

(k) *Form 64 (Short form): Report of Condition (from banks other than mutual savings).* Form 64 is a report in the form of a standard statement of the Assets and Liabilities of the reporting bank together with additional detailed breakdown of selected items. When special circumstances so require, additional detail with respect to specific asset or liability items may be required. Reports of Condition must be prepared in accordance with the instructions contained in the booklet entitled "Instructions for the preparation of Report of Condition on Form 64 (Short form)", copies of which are furnished by the Corporation to all insured State nonmember banks (except District banks) and which may be obtained on request from the Division of Research and Statistics.

(l) *Form 64 (Savings): Report of Condition (from mutual savings banks).* Form 64 (Savings) is substantially the same as Form 64 (Short form) and should be used by mutual savings banks.

(m) *Form 73: Report of Earnings and Dividends (from banks other than mutual savings).* Report of Earnings and Dividends, Form 73, is a report in the form of a standard profit and loss statement and a reconciliation of changes in total capital accounts during the year. When special circumstances so require additional detail with respect to specific income or expense items, charge-offs or recoveries, profits on assets sold, or changes in total capital account may be required. Reports of Earnings and Dividends must be prepared in accordance with the instructions contained in the booklet entitled "Instructions for the preparation of Report of Earnings and Dividends on Form 73", which is furnished by the Corporation to all insured State nonmember banks (except District banks) and which may be obtained on request from the Division of Research and Statistics.

(n) *Form 73 (Savings): Report of Earnings and Dividends (from mutual savings banks).* Form 73 (Savings) is substantially the same as Form 73 and should be used by mutual savings banks.

(o) *Form 89: Summary of Deposits.* Report of Summary of Deposits

is a report of the number of deposit accounts and the amount of deposits in such accounts grouped by size of account and type of deposit. Summary of deposit reports must be prepared in accordance with instructions contained in the pamphlet entitled "Instructions for preparation of Form 89", which is furnished by the Corporation to all insured banks and which may be obtained on request from the Division of Research and Statistics.

(p) *Form 545: Certified statement.* A Form 545 must be submitted on or before January 15 and July 15 of each year by every insured bank except newly insured banks which must submit their First Certified Statement on Form 645. Form 545 shows the deposit liabilities, less authorized deductions, for the two base days in each semiannual period. The base days are March 31 and June 30 for the six months ending June 30, and September 30 and December 31 for the six months ending December 31. When any of said base days is a non-business day or a holiday, either national or state, the preceding business day shall be used. The form will show the computation of the assessment base and the amount of the assessment due the Corporation. It must be prepared in duplicate, signed by an official of the bank and the original must be forwarded to the Fiscal Agent. The duplicate copy should be retained in the bank's file. The forms are mailed to all insured banks each six months in ample time to permit compliance with the law, but if not received on or before January 1 or July 1, they should be obtained from the Fiscal Agent. Instructions for the preparation of said forms are furnished all insured banks by the Fiscal Agent.

(q) *Form 555: Tabulation of assessment base.* Form 555 is used for the tabulation of total deposit liabilities, deductions claimed, and deposits for the assessment base for assessment base days. Each form has spaces for recording the figures for the two base days in each semiannual period. The form and the supporting records required under section 7 (a) of the Federal Deposit Insurance Act, must be retained by the bank as part of its records. A supply of these forms is mailed periodically to each insured bank. Additional supplies of the form may be obtained from the Fiscal Agent upon request.

(r) *Form 645: First certified statement.* The First Certified Statement, Form 645, must be submitted on or before July 15 or January 15 following the semiannual period in which the bank began operation as an insured bank. The form shows the deposit liabilities, less authorized deductions, for the applicable base day, either June 30 or December 31, or if the applicable day falls on a non-business day or a holiday, the preceding business day shall be used. The form will show the computation of the assessment base and the amount of the assessment due the Corporation. It must be prepared in duplicate, signed by an official of the bank, and the original must be forwarded to the Fiscal Agent. The duplicate copy should be retained in the bank's file. The forms will be

mailed by the Fiscal Agent to newly insured banks with appropriate instructions for their preparation.

(s) *Form 845: Final certified statement—for use by an insured bank whose deposits are assumed by another insured bank.* This Statement, Form 845, shows the deposit liabilities, less authorized deductions of the bank on the base days prior to the assumption date. Form 845 accompanied by appropriate letter of explanation and instructions will be mailed by the Fiscal Agent to each insured bank whose deposit liabilities are assumed by another insured bank. The form must be prepared in duplicate, signed by an officer of the bank and the original must be forwarded to the Fiscal Agent. The duplicate copy should be retained in the bank's files. If the deposits of the liquidating bank are assumed by a newly insured bank, the liquidating bank is not required to file Form 845 or to pay any assessments upon the deposits so assumed after the semiannual period in which the assumption takes effect.

(t) *Form 845A: Final certified statement—for use of an insured bank whose deposit liabilities are assumed by another insured operating bank (To be used when the assuming bank executes the certified statement for the bank whose deposits were assumed).* Form 845A may be substituted for Form 845 described in paragraph (s) of this section if the assuming bank is executing the Certified Statement for the bank whose deposit liabilities were assumed. Form 845A is prepared in the same manner as Form 845 except the certification is executed by an official of the assuming bank.

(u) *Amended and corrected certified statements.* Forms for use in amending or correcting previously submitted Certified Statements are identical in number and form with Forms 545, 645, 845, and 845A described above except the title of the form contains the additional word "Amended" or "Corrected". These forms may be obtained on request from the Fiscal Agent.

PART 305—PAYMENT OF INSURED DEPOSITS

§ 305.1 *Payment of insured deposits in closed banks.* When an insured bank closes under circumstances requiring the Corporation to make payment of the insured deposits¹ therein, as prescribed by law,² the Board of Directors appoints one or more Claim Agents with power and authority as provided by law³ who maintain a temporary office at the site of the closed bank for the purpose of receiving claims for insured deposits and making payment thereof as soon as possible in accordance with applicable law. Claimants for insured deposits are required to submit to such Claim Agents appropriate proofs of claim, in form and manner

¹ Defined in section 3 (m) of the Federal Deposit Insurance Act.

² See section 11 of the Federal Deposit Insurance Act, particularly subsections (b), (f) and (g).

³ See section 10 (b) of the Federal Deposit Insurance Act.

prescribed by law or by the Board of Directors, to deliver up any pass book or other record issued by the bank evidencing the insured deposit, to assign their claims for insured deposits to the Corporation to the extent required by law, and to furnish proper identification. The claimant is required to make proof thereof to the satisfaction of the Claim Agent. Disputed claims which cannot be adjusted in the field are referred to the Chief of the Division of Liquidation for determination and when satisfactory disposition cannot be so made, may be referred to the Board of Directors for appropriate action. In cases where the Corporation is not satisfied as to the validity of a claim for an insured deposit, it may require the final determination of a court of competent jurisdiction before paying such claim. The Corporation is authorized to make payment of the insured deposits in cash or by making available to each depositor a transferred deposit in a new bank in the same community or in another insured bank in an amount equal to the insured deposit of such depositor. Any such transferred deposit would be a demand deposit in the absence of an agreement between the depositor and transferee bank providing for a time or savings deposit. The Corporation's practice has been to make such payment by issuing its check for the amount of the insured deposit. In making such payments, the Corporation exercises its statutory authority to withhold payment of such portion of the insured deposit of any depositor as may be required to provide for the payment of any liability of such depositor as a stockholder of the bank, or of any liability of such depositor to the closed bank or its receiver, which is not offset against a claim due from the bank, pending the determination and payment of such liability by the depositor or any other person liable therefor.

(Sec. 9, Pub. Law 797, 81st Cong. Interprets or applies secs. 10, 11, Pub. Law 797, 81st Cong.)

PART 306—RECEIVERSHIPS AND LIQUIDATIONS

Sec.

306.1 Liquidation of assets acquired through loans and purchases.

306.2 National bank receiverships.

306.3 State bank receiverships.

AUTHORITY: §§ 306.1 to 306.3 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply secs. 11, 12, 13, Pub. Law 797, 81st Cong.

§ 306.1 *Liquidation of assets acquired through loans and purchases.* Assets acquired by the Corporation pursuant to contracts of loan or purchase from insured banks or receivers of closed insured banks, in accordance with the provisions of the Federal Deposit Insurance Act, are liquidated by the Corporation through a liquidator appointed in the same manner as in the case of a national bank receivership (see § 306.2). The liquidator takes possession of the assets and usually maintains a liquidating office in the vicinity of the bank from which the assets

were acquired. The liquidator receives collections of debts and claims due, effects sales of assets, compositions and compromises of debts, and otherwise enforces claims and obligations due and owing and arising out of the liquidation. Proposals for the sale of assets, compositions and compromises, and extensions or renewals of debts due or other contracts, are transmitted by the liquidator to the Chief of the Division of Liquidation and are in turn submitted to the Committee on Liquidations, Loans, and Purchases of Assets and to the Board of Directors of the Corporation for approval. Expenses of administration, attorneys' fees, proposals for leasing, engaging brokers or others, independent contractors, and advances to protect assets are likewise submitted by the liquidator for transmission with the recommendation of the Division of Liquidation to the Committee on Liquidations, Loans, and Purchases of Assets and to the Board of Directors of the Corporation for approval. In general, the liquidator is the local representative of the Corporation and proceeds in compliance with the manual of instructions of the Division of Liquidation to liquidate the assets so acquired.

§ 306.2 *National bank receiverships.* Whenever the Comptroller of the Currency appoints a receiver (other than conservator) of a national or District bank, it must be the Corporation. Immediately upon appointment the Corporation takes possession of the records, assets, and affairs of the bank through one of its agents, usually a liquidator, appointed to represent the Corporation in that receivership. If possession is taken by an agent other than a liquidator, the liquidator, when appointed, is substituted for the agent. The Board of Directors of the Corporation appoints the agent to take possession, the liquidator, such assistant liquidators, and personnel, as may be necessary, as well as an attorney to furnish the Corporation as receiver with such legal assistance as may be required in the administration of the receivership. The liquidator as local representative of the Corporation proceeds, in compliance with the manual of instructions of the Division of Liquidation, and in conformity with the applicable provisions of the National Bank Act and the Federal Deposit Insurance Act, to liquidate the assets, receive claims of depositors (claiming in excess of \$10,000 per depositor)¹ and other creditors, pay the expenses of administration, distribute the proceeds of such liquidation, and otherwise wind up the affairs of the bank subject to the control of the Board of Directors of the Corporation and under the supervision of the Chief of the Division of Liquidation. After notice by advertisement pursuant to law, depositors having claims in excess of \$10,000 per depositor, and other creditors, are permitted to file claims with the liquidator, who transmits such claims to the Division of Liquidation for allowance, classification, and deductions by way of set-offs or counterclaims. Such claims are filed on blanks prescribed from

¹ Claims for insured deposits up to \$10,000 for each depositor are filed with a Claim Agent, appointed by the Board of Directors of the Corporation, who represents the Corporation in its capacity as insurer of deposit (see Part 305 of this chapter).

time to time by the Corporation and when allowed are evidenced by receiver's certificates issued by the Division of Liquidation on such forms as are from time to time prescribed by the Corporation. The liquidator receives collections of debts and claims due to the receivership, effects sales of assets, compositions and compromises of debts, and otherwise enforces claims and obligations, owing to the receivership. All proceeds of the liquidation are segregated and are kept separate and apart from the general and other funds of the Corporation. Proposals for the sale of assets, compositions, and compromises are transmitted by the liquidator to the Division of Liquidation, which in turn submits them to the Committee on Liquidations, Loans, and Purchases of Assets and to the Board of Directors of the Corporation for approval; and upon such approval the liquidator, through local counsel, presents the proposals to a court of competent jurisdiction for authorization as provided by 12 U. S. C. 192. Expenses of administration are similarly submitted by the Division of Liquidation for approval by the Board of Directors. Attorney fees are submitted by the Legal Division for determination by the Board of Directors. Proposals for leasing, engaging brokers or others, independent contractors, extensions or renewals of debts due the receivership, or other contracts, and advances to protect assets, are submitted by the liquidator for transmission and recommendation by the Division of Liquidation to the Committee on Liquidations, Loans, and Purchases of Assets and to the Board of Directors for authorization. When sufficient funds have been realized from the liquidation to justify payment of a dividend to creditors, the Division of Liquidation submits a recommendation to the Board of Directors, which orders a ratable dividend to be paid. Dividend checks are drawn by the Division of Liquidation on receivership funds and transmitted to the liquidator for delivery to the claimants who are required to present their receiver's certificates for endorsement thereon and to execute receipts for such dividends. If such claims are paid in full with interest, receivership certificates must be surrendered. If surplus assets remain after payment of dividends to creditors equal to the principal of their respective claims plus interest thereon, a meeting of the shareholders is called pursuant to the provisions of 12 U. S. C. 197, for the purpose of determining whether a shareholders' agent shall be elected or the receivership continued. If the shareholders elect to have a shareholders' agent appointed, then the assets are assigned and delivered to the shareholders' agent upon compliance with the requirements of 12 U. S. C. 197.

§ 306.3 *State bank receiverships.* When the Corporation accepts appointment as receiver of an insured State bank⁴ the board of directors appoints an agent or liquidator to take possession, on behalf of the Corporation, of the assets, books, and records, and to administer the affairs, of the closed bank. The liquidator as the local representative

⁴ Pursuant to the provisions of section 11 (e) of the Federal Deposit Insurance Act.

of the Corporation proceeds, in accordance with the provisions of the applicable law of the State in which the bank is located, and in conformity with the manual of instructions of the Division of Liquidation, to administer the receivership, subject to the control of the board of directors and under the supervision of the Division of Liquidation.

PART 307—VOLUNTARY TERMINATION OF INSURED STATUS

Sec.

- 307.1 Steps to be taken and records to be furnished the Corporation by an insured nonmember bank in liquidation.
- 307.2 Steps to be taken and records to be furnished the Corporation by a member bank in liquidation (both State and national).
- 307.3 Steps to be taken and records to be furnished the Corporation where deposits are assumed by another insured bank.

AUTHORITY: §§ 307.1 to 307.3, issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply secs. 7, 8, Pub. Law 797, 81st Cong.

§307.1 *Steps to be taken and records to be furnished the Corporation by an insured nonmember bank in liquidation.* (a) Whenever a nonmember bank goes into liquidation and its insured status has not been terminated by the board¹ and its deposit liabilities are not assumed by another insured bank, it shall terminate its status as an insured bank in accordance with the provisions of section 8 (a) of the Federal Deposit Insurance Act.² To effect such termination the bank shall adopt a resolution in form substantially as follows:

Resolved: (1) That the status of the
 (Name of bank) (City or town)
 as an insured bank under the provisions of the Federal
 (State)

Deposit Insurance Act shall terminate ninety (90) days from the date of the receipt by the Federal Deposit Insurance Corporation of a copy of this resolution;³

(2) That..... is
 (cashier or other officer)

hereby directed to immediately forward a certified copy of this resolution to the Federal Deposit Insurance Corporation, Washington 25, D. C., which shall constitute the notice of termination prescribed in section 8 (a) of that Act.

Upon receipt of a certified copy of the aforesaid resolution the Corporation will promptly advise the bank of the date of the receipt thereof, and confirm the date of the termination of its insured status.

¹ Board means Board of Directors of the Federal Deposit Insurance Corporation.

² Section 8 (a) of the Federal Deposit Insurance Act provides, in part, as follows: "Any insured bank (except a national member bank or State member bank) may, upon not less than ninety days' written notice to the Corporation, and to the Reconstruction Finance Corporation if it owns or holds as pledgee any preferred stock, capital notes, or debentures of such bank, terminate its status as an insured bank. * * * After the termination of the insured status of any bank * * * the insured deposits of each depositor in the bank on the date of such termination, less all subsequent withdrawals from any deposits of such depositor, shall continue for a period of two years to be insured, and the bank shall continue to pay to the Corporation assessments as in the case of an insured bank during such period. * * *" [Italics supplied.]

³ If the bank desires to fix a later date of termination, it may do so as the law prescribes only the minimum notice period which is ninety (90) days.

Thereupon, and prior to the termination date, the bank shall give notice to its depositors of the termination of its insured status. Such notice shall be (1) mailed to each depositor at his last address of record as shown upon the books of the bank, (2) published in not less than two issues of a local newspaper of general circulation, and (3) in form substantially as follows:

.....
(Date)

Notice to Depositors:

Please be advised that the status of the.....
(Name of bank)

..... as an insured bank under the provisions of the Federal Deposit Insurance Act, will terminate on.....day of....., 19.....
(City or town) (State)

You are further advised that your insured deposits in this bank on the date of termination will continue to be insured within the limitations provided by law.

.....
(Name of bank)
.....
(Address)

There may be included in such notice any additional information or advice the bank may deem desirable.

Whenever the bank proposes to pay its depositors and, at the direction of the depositors, effects such payment by transferring the deposits to a noninsured bank, the following information shall be added to the notice to depositors prescribed in the above form:

You are further advised that your deposits may be transferred to the.....
.....
(Name of noninsured bank) (City or town) (State)

upon your direction to this bank and your acknowledgment in writing of the payment of your deposits in full by such transfer.
(Name of noninsured bank)

is not a member of the Federal Deposit Insurance Corporation and deposits made in it, or transferred to it, will not be insured.

(b) The bank shall furnish to the Corporation the following records and information:

(1) An affidavit of the mailing and an affidavit of the publication of the notice to depositors. The affidavit of mailing should be executed by the person mailing the notice and should state (i) the date of mailing, (ii) that it was mailed to each depositor at his last address of record as shown on the books of the bank; and (iii) that a copy of the notice as mailed is attached.

(2) A certified copy of the resolutions pursuant to which the bank was placed in liquidation and/or any other document or instrument required by law to place the bank in liquidation.

(3) The bank shall continue to file certified statements and pay assessments thereon for the period its deposits are insured, as provided

by the Federal Deposit Insurance Act:⁴ *Provided*, That after the bank shall have paid in full its deposit liabilities and the assessment to the Corporation required to be paid for the semiannual period in which its deposit liabilities are paid in full, and after it shall, under applicable law, have ceased to have authority to transact a banking business and to have existence, except for the purpose of, and to the extent permitted by law for, winding up its affairs, it shall not be required to file further certified statements nor to pay further assessments.

(4) When the deposit liabilities of the bank shall have been paid in full, the bank shall furnish to the Corporation an affidavit executed by two of its officers, which affidavit shall state the fact that the deposit liabilities have been paid in full and give the date of the final payment thereof.⁵

(5) Where the bank has unclaimed deposits the affidavit to be furnished pursuant to subparagraph (4) of this paragraph, shall further state the amount of such unclaimed deposits and the disposition made of the funds to be held to meet such claims. For assessment purposes, the following will be considered as payment of such unclaimed deposits, viz:

(i) The transfer of cash funds in an amount sufficient to pay such unclaimed and unpaid deposits to the public official authorized under the law to receive the same; or

(ii) If no provision is made by law for the transfer of funds to a public official, the transfer of cash funds or compensatory assets to an insured bank in an amount sufficient to pay the unclaimed and unpaid deposits in consideration of such insured bank assuming the payment thereof: *Provided*, That, prior to such transfer, the liquidating bank shall have given notice, as hereinafter provided, to the owners of the unclaimed deposits of the intended transfer and a reasonable time shall have elapsed after the giving of such notice to enable the depositors to obtain their deposits. Such notice shall be mailed to each depositor and shall be published in a local newspaper of general circulation. The notice shall advise such depositors of the liquidation of the bank, shall request them to call for and accept payment of their deposits, and shall state the disposition to be made of their deposits upon their failure to promptly claim the same.

If such unclaimed and unpaid deposits are disposed of as provided in subdivision (i) of this subparagraph, a certified copy of the public official's receipt issued for such funds shall be furnished to the Corporation. If such unclaimed and unpaid deposits are disposed of as provided in subdivision (ii) of this subparagraph, an affidavit of the publication and of the mailing of the notice to depositors, together with a copy of such

⁴ See footnote 2 to § 307.1 (a).

⁵ The issuance of a draft or officer's check does not constitute the discharge of a deposit liability nor relieve the bank of assessment until such draft or other evidence of payment has been duly presented for payment and has been paid.

notice, and a certified copy of the contract of assumption shall be furnished to the Corporation.

(6) The liquidating bank shall advise the Corporation of the date on which the authority or right of the bank to do a banking business shall have terminated and the method or means whereby such termination shall have been effected, that is, whether such termination has been effected by the surrender of its charter, by the cancellation of its authority or license to do a banking business by the supervisory authority, or otherwise.⁶

§ 307.2 *Steps to be taken and records to be furnished the Corporation by a member bank in liquidation (both State and national).* (a) Whenever a bank which is a member of the Federal Reserve System goes into liquidation and its insured status has not been terminated by the Board⁷ and its deposit liabilities are not assumed by another insured bank, it shall notify its depositors of the date of the termination of its insured status.⁸ Such notice shall be in the form prescribed in § 307.1 and shall be given at the time and in the manner therein provided.

(b) The bank shall furnish to the Corporation the records and information mentioned in, and comply with the requirements of, § 307.1 (b).

§ 307.3 *Steps to be taken and records to be furnished the Corporation where deposits are assumed by another insured bank.*⁹ (a) Whenever the deposit liabilities of an insured bank are assumed by another insured bank, the bank whose deposits are assumed, or the assuming bank as its agent, shall give notice to its depositors of such assumption. Such notice shall be (1) mailed to each depositor at his last address of record as shown upon the books of the bank, (2) published in not less than two issues of a local newspaper of general circulation, and (3) in form substantially as follows:

⁶ As the governing law of the various jurisdictions is not uniform in this respect, it is suggested that the applicable statute be consulted and that this Corporation be advised of the manner in which the termination or cancellation of such authority has been effected.

⁷ See footnote 1 to § 307.1 (a).

⁸ Section 8 (b) of the Federal Deposit Insurance Act provides in part as follows: "Except as provided in subsection (b) of section 4, whenever a member bank shall cease to be a member of the Federal Reserve System, its status as an insured bank shall, without notice or other action by the Board of Directors, terminate on the date the bank shall cease to be a member of the Federal Reserve System, with like effect as if its insured status had been terminated on said date by the Board of Directors after proceedings under subsection (a) of this section." Regulations of the Board of Governors of the Federal Reserve System provide (12 CFR 208.10 footnote 13): "A bank's withdrawal from membership in the Federal Reserve System is effective on the date on which the Federal Reserve bank stock held by it is duly cancelled." Section 4 (b) of the Federal Deposit Insurance Act provides in part that: "A State bank, resulting from the conversion of an insured national bank, shall continue as an insured bank. A State bank, resulting from the merger or consolidation of insured banks, or from the merger or consolidation of a noninsured bank or institution with an insured State bank, shall continue as an insured bank."

⁹ Section 8 (d) of the Federal Deposit Insurance Act provides as follows: "Whenever the liabilities of an insured bank for deposits shall have been assumed by another insured bank or banks, the insured status of the bank whose liabilities are so assumed shall terminate on the date of receipt by the Corporation of satisfactory evidence of such assumption with like effect as if its insured status had been terminated on said date by the Board of Directors after proceedings under subsection (a) of this section: *Provided*, That if the bank whose liabilities are so assumed gives to its depositors notice of such assumption within thirty days after such assumption takes effect, by publication or by any reasonable means, in accordance with regulations to be prescribed by the Board of Directors, the insurance of its deposits shall terminate at the end of six months from the date such assumption takes effect. Such bank shall be subject to the duties and obligations of an insured bank for the period its deposits are insured: *Provided*, That if the deposits are assumed by a newly insured bank, the bank whose deposits are assumed shall not be required to pay any assessment upon the deposits which have been so assumed after the semiannual period in which the assumption takes effect."

.....
(Date)

Notice to Depositors:

Please be advised that the deposit liabilities shown on the books of the undersigned bank as of the close of business on....., 19..... have been assumed by the.....

(Name of assuming bank) (City or town) (State)

and that the status of the undersigned bank as an insured bank will therefore terminate as provided in section 8 (d) of the Federal Deposit Insurance Act.

You are further advised that.....

(Name of assuming bank)

is an insured bank and that your deposits will continue to be insured by the Federal Deposit Insurance Corporation in the manner and to the extent provided in said act.

.....¹⁰
(Name of bank)

.....
(Address)

There may be included in such notice any additional information or advice the bank may deem desirable.

The bank shall furnish to the Corporation an affidavit of mailing and an affidavit of publication of the notice to depositors. The affidavit of mailing should be in the form prescribed in § 307.1 (b) (1).

(b) The liquidating bank shall continue to file certified statements and pay assessments thereon for the period its deposits are insured, as provided by the Federal Deposit Insurance Act: *Provided*, That if the liquidating bank, or the assuming bank as its agent, has given the requisite notice to the depositors of the assumption of the deposit liabilities within 30 days after such assumption takes effect, then the liquidating bank shall file a final certified statement, as provided for in §304.3 (s) and (t), and shall pay to the Corporation the normal assessment thereon.¹¹ If the deposits of the liquidating bank are assumed by a newly insured bank, the liquidating bank is not required to file certified statements or pay any assessment upon the deposits so assumed, after the semiannual period in which the assumption takes effect.

(c) The Corporation will consider receipt of the following as satisfactory evidence of such assumption:

(1) A certified copy of the resolution (i) duly authorizing the bank's officers to enter into a contract for the sale of the bank's assets to another insured bank upon the consideration of the assumption by it of the deposit liabilities, and (ii) duly placing the bank in liquidation; and

(2) A certified copy of the assumption agreement, provided it contains an express undertaking by an insured bank to pay the deposit liabilities of the bank going into liquidation.

(d) The bank shall furnish to the Corporation the information called for in § 307.1 (b) (6).

¹⁰ If this notice is given by the assuming bank as agent for the liquidating bank, it may add its own name designating itself as agent.
¹¹ See § 327.3 of this chapter.

PART 308—INVOLUNTARY TERMINATION OF INSURED STATUS

Sec.

- 308.1 Termination of insured status by the Corporation.
- 308.2 Appearance and practice before the Corporation.
- 308.3 Notice of hearing.
- 308.4 Conduct of hearings.
- 308.5 Rules of evidence.
- 308.6 Proposed findings and conclusions and recommended decision.
- 308.7 Exceptions.
- 308.8 Briefs.
- 308.9 Certification of record to Board of Directors.
- 308.10 Consent to termination of insured status.
- 308.11 Oral argument before Board of Directors.
- 308.12 Decision of Board of Directors.
- 308.13 Filing papers.
- 308.14 Service; proof of service.
- 308.15 Copies.
- 308.16 Computing time.
- 308.17 Documents in proceedings confidential.
- 308.18 Formal requirements as to papers filed.
- 308.19 Termination of insured status of banking institution not engaged in the business of receiving deposits other than trust funds.

AUTHORITY: §§ 308.1 to 308.19 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply secs. 8, 10, Pub. Law 797, 81st Cong.

§ 308.1 *Termination of insured status by the Corporation.* Under the authority of section 8 (a) of the Federal Deposit Insurance Act the Board of Directors of the Corporation may terminate the insured status of an insured bank. The procedure for terminating the insured status of a bank as therein prescribed will be followed and the hearing required thereunder will be conducted in accordance with the rules and practice set forth in this part.

§ 308.2 *Appearance and practice before the Corporation—(a) Power of attorney and notice of appearance.* The Corporation maintains no register of attorneys or agents who may practice before it nor is an application for admission to practice required. Any person desiring to appear before or transact business with the Corporation in a representative capacity may be required to file with the Secretary of the Corporation a power of attorney showing his authority to act in such capacity, and he may be required to show to the satisfaction of the Board of Directors that he has the requisite qualifications. Attorneys and representatives of parties to proceedings shall file a written notice of appearance with the Secretary or with the trial examiner.

(b) *Suspension and disbarment.* Any person appearing before the Board of Directors or before a trial examiner in a representative capacity,

or desiring so to act, may for cause, sufficient in the judgment of the Board of Directors, be suspended or disbarred from so doing, provided that charges shall be preferred by the Board of Directors against such representative and he shall be afforded an opportunity to be heard thereon.

(c) *Summary suspension.* Contemptuous conduct at an argument before the Board of Directors or at a hearing before a trial examiner shall be ground for exclusion therefrom and suspension for the duration of the argument or hearing.

§ 308.3 *Notice of hearing.* Whenever a hearing is ordered by the Board of Directors in any proceedings a Notice of Hearing shall be given by the Secretary or other designated officer of the Corporation to the bank involved and the appropriate supervisory authority. Such notice shall designate the time and place of the hearing, the nature thereof, the trial examiner and shall specify the charges against the bank and shall be delivered by personal service, by registered mail to last known address, or other appropriate means, at least 30 days in advance of the hearing.

§ 308.4 *Conduct of hearings.* Any hearing shall be held before a person designated by the Board of Directors as the trial examiner and, unless otherwise provided in the notice of hearing, shall be conducted as hereinafter provided.

(a) *Authority of trial examiner.* The trial examiner at the hearing shall have authority to administer oaths and affirmations, take or cause depositions to be taken, examine witnesses and receive evidence and rule upon the admissibility of evidence and other matters that normally and properly arise in the course of the hearing; to subpoena any officer or employee of the insured bank, to compel his attendance, and to require the production of any books, records or other papers of the insured bank which are relevant or material to the inquiry, but he shall have no power to decide any motion to dismiss the proceedings or other motion which results in a final determination of the merits of the proceedings. Except as authorized by law, the trial examiner shall not consult any person or party on any fact in issue unless upon notice and opportunity for all parties to participate, nor be responsible to or subject to the supervision or direction of any officer, employee, or agent engaged in the performance of investigative or supervisory functions. The trial examiner may hold conferences before or during the hearing for the settlement or simplification of issues by consent of the bank and counsel for the Corporation.

(b) *Attendance at hearings.* A hearing shall be private and shall be attended only by the bank and its representatives or counsel, representatives of the Corporation, witnesses, and other persons having an official interest in the proceedings; *Provided, however,* That on the written request of the bank or counsel for the Corporation, or on its own motion,

the Board of Directors when not prohibited by law, may permit other persons to attend or may order the hearing to be public.

(c) *Transcript of testimony.* Hearings shall be reported and transcripts will be available at cost to the bank and, if the Board of Directors has ordered the hearing to be public, to the public. At the close of the hearing a complete transcript of the testimony taken, together with any exhibits and any briefs or memoranda of law filed theretofore on behalf of the bank or counsel for the Corporation, shall be filed with the Secretary. Requested corrections to a transcript of record shall be considered only if offered within 10 days after the date the transcript is filed with the Secretary (or within 10 days after the bank's receipt of a copy of such transcript, if ordered by the bank before conclusion of the hearing). Requested corrections shall be filed with the Secretary and shall be served upon the other party to the proceedings as provided in § 308.14. The trial examiner shall have authority to act upon motions to correct the record.

(d) *Order of procedure.* The counsel for the Corporation shall open and close.

(e) *Continuances and changes or extensions of time and changes of place of hearing.* Except as otherwise expressly provided by law, the Board of Directors may by the notice of hearing, or subsequent order, provide time limits different from those specified in this part, may on its own motion or for cause shown extend any time limits prescribed by these rules or the notice of hearing, and may continue or adjourn any hearing. The trial examiner may continue or adjourn a hearing to such time and place as may be ordered by him.

(f) *Call for further evidence, oral argument and briefs, reopening of hearings.* The trial examiner may call for the production of further evidence upon any issue, may permit oral arguments and submission of briefs at the hearing, and, upon appropriate notice, may reopen any hearing at any time prior to the certification of his recommended decision to the Board of Directors, or the Board of Directors may reopen any hearing at any time prior to its order disposing of the proceeding.

(g) *Depositions.* The Board of Directors or trial examiner may order evidence to be taken by deposition in any proceeding at any stage thereof. Such depositions may be taken by the trial examiner or before any person designated by the Board of Directors or trial examiner and having power to administer oaths. Unless notice be waived, no deposition shall be taken except after at least 5 days' notice to the bank and counsel for the Corporation.

Any party desiring to take the deposition of a witness shall make application in writing, setting out the reasons why such deposition should be taken, stating the time when, the place where, and the name and post-office address of the person before whom, it is desired the deposition be taken, the name and post-office address of the witness,

and the subject matter or matters concerning which the witness is expected to testify. If good cause is shown, the Board or trial examiner will make and serve upon the bank, or its counsel, and counsel for the Corporation, an order wherein the Board of Directors or trial examiner shall name the witness whose deposition is to be taken and specify the time when, the place where, and the person before whom, the witness is to testify, but such time and place, and the person before whom the deposition is to be taken so specified in the order, may or may not be the same as those named in the application. The testimony of the witness shall be reduced to writing by the person before whom the deposition is taken, or under his direction, after which the deposition shall be subscribed by the witness and certified as a true and complete transcript of the testimony by the person before whom the deposition was taken and by him forwarded as specified in the order with three additional copies thereof made by him or under his direction. A certified copy thereof shall be furnished to the bank, or its counsel, and to counsel for the Corporation. Witnesses whose depositions are taken, and the person taking such depositions, shall severally be entitled to the same fees as are paid for like services in the courts of the United States which shall be paid by the party upon whose application the deposition was taken.

§ 308.5 *Rules of evidence*—(a) *Evidence*. Every party shall have the right to present his case or defense by oral and documentary evidence, to submit rebuttal evidence and to conduct such cross examination as may be required for a full and true disclosure of the facts. Irrelevant, immaterial or unduly repetitious evidence shall be excluded.

(b) *Objections*. Objections to the admission or exclusion of evidence shall be in short form, stating the grounds of objections relied upon, and the transcript shall not include argument thereon except as ordered by the trial examiner. Rulings on such objections and on any other matters shall be a part of the transcript. Failure to object to admission or exclusion of evidence or to any ruling shall be considered a waiver of such objection.

(c) *Official notice*. All matters officially noticed by the trial examiner shall appear on the record.

§ 308.6 *Proposed findings and conclusions and recommended decision*—

(a) *Proposed findings and conclusions and supporting briefs*. Within 15 days after the filing of the transcript with the Secretary (or within 15 days after the bank's receipt of a copy of such transcript, if ordered by the bank before the conclusion of the hearing) the bank or counsel for the Corporation may file with the Secretary for submission to the trial examiner proposed findings and conclusions, which may be accompanied by a brief or memorandum in support thereof. A copy of such proposals and brief or memorandum in support thereof shall be delivered by the Secretary to the trial examiner and a copy shall be served by the Secre-

tary upon the other party to the proceedings. All such proposed findings and conclusions shall be a part of the record.

(b) *Recommended decision.* The trial examiner, within 15 days after the expiration of the time allowed for filing proposed findings and conclusions, shall file with the Secretary his recommended decision in the form prescribed by law.

(c) *Service of recommended decision.* A copy of the recommended decision shall be forthwith served on the bank and on counsel for the Corporation by the Secretary.

§ 308.7 *Exceptions*—(a) *Filing.* Within 15 days after receipt of a copy of the recommended decision of the trial examiner, the bank or counsel for the Corporation may file with the Secretary exceptions to the recommended decision of the trial examiner or any portion thereof or to his failure to adopt a proposed finding or conclusion, or to the admission or exclusion of evidence or to any other ruling. A copy of such exceptions shall be forthwith delivered by the Secretary to the trial examiner and a copy shall be served on the other party to the proceedings. Exceptions shall be argued only if a hearing is ordered before the Board of Directors.

(b) *Waiver.* Failure to file exceptions to the recommended decision of the trial examiner or any portion thereof, or to his failure to adopt a proposed finding or conclusion, or to the admission or exclusion of evidence, or to any ruling, within the time so required, shall be deemed to be a waiver of the objections thereto.

§ 308.8 *Briefs*—(a) *Filing.* Within the time provided for filing of exceptions, the bank or counsel for the Corporation may file a brief in support of his conclusion and exceptions.

(b) *Contents.* All briefs shall be confined to the particular matters in issue. Each exception or proposed finding or conclusion which is briefed shall be supported by a concise argument or by citation of such statutes, decisions or other authorities and by page reference to such portions of the record or recommended decision of the trial examiner as may be relevant. If the exception relates to the admission or exclusion of evidence, the substance of the evidence admitted or excluded shall be set forth in the brief with appropriate references to the transcript. Exceptions not briefed may be regarded by the Board of Directors as waived.

(c) *Reply briefs.* Reply briefs may be filed within 10 days after service of briefs and shall be confined to matters in original briefs of opposing parties.

(d) *Service of briefs.* Copies of briefs shall be served by the Secretary on the other party to the proceedings.

(e) *Delays.* Briefs not filed on or before the time fixed in this part will be received only upon special permission of the Board of Directors.

§ 308.9 *Certification of record to Board of Directors.* Within 15 days

after expiration of the time required for filing exceptions to his recommended decision, the trial examiner shall file with the Secretary of the Corporation and certify to the Board of Directors for initial decision the entire record, including the transcript of testimony, exhibits (including on request of the party concerned any exhibits excluded from evidence) recommended findings and conclusions, exceptions and rulings thereon, any briefs or memoranda filed by any party or counsel for the Corporation in connection therewith and his recommended decision. A copy of his ruling on the exceptions shall be served on the bank and on the counsel for the Corporation.

§ 308.10 *Consent to termination of insured status.* Unless a bank, which has received notice of intention to terminate its status as an insured bank pursuant to section 8 (a) of the Federal Deposit Insurance Act, shall appear at the hearing designated in the notice of hearing by a duly authorized representative, it shall be deemed to have consented to the termination of its status as an insured bank. In such event counsel for the Corporation may, but need not, present his case. Within 10 days of the date or close of the hearing the trial examiner shall certify the transcript and exhibits, if any, to the Board of Directors with his recommended decision.

§ 308.11 *Oral argument before Board of Directors.* Upon written request of the bank or counsel for the Corporation, made within 10 days after the certification of the record to the Board of Directors, the Board may order the matter to be set down for oral argument before it at the time and place specified in such order.

§ 308.12 *Decision of Board of Directors.* Appropriate members of the staff, who are not engaged in the performance of investigative or prosecuting functions, may advise and assist the Board of Directors in the consideration of the matter and in the preparation of appropriate documents for its disposition. Copies of the decision of the Board of Directors shall be furnished by the Secretary to the bank, to counsel for the Corporation and to the appropriate State supervisory authority, in the case of a State bank, to the Board of Governors of the Federal Reserve System, in the case of a State member bank, or to the Comptroller of the Currency, in the case of a national bank.

§ 308.13 *Filing papers.* Recommended decisions, exceptions, briefs and other papers required to be filed with the Board of Directors or Secretary in any proceeding shall be filed with the Secretary, Federal Deposit Insurance Corporation, Washington 25, D. C. Any such papers may be sent to the Secretary by mail or express but must be received by the Secretary in the office of the Corporation in Washington, D. C., or post-marked by a post office, within the time limit for such filing.

§ 308.14 *Service; proof of service.* All documents or papers required by this part to be served on the bank, or on counsel for the Corporation, shall be served by the Secretary or other designated officer of the Board

of Directors. Such service, except on counsel for the Corporation, shall be made by personal service on, or by registered mail addressed to the last known address of, the attorney or representative of record of any party. If there is no attorney or representative of record, such service shall be made upon the bank.

§ 308.15 *Copies.* Unless otherwise specifically provided in the notice of hearing, an original and 7 copies of all documents and papers required or permitted to be filed or served under this part, except the transcript of testimony and exhibits, shall be furnished to the Secretary.

§ 308.16 *Computing time.* In computing any period of time prescribed or allowed by this part or by order of the Board of Directors, the day of the act, event, or default after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, Sunday, or a legal holiday in the District of Columbia, in which event the period runs until the end of the next day which is neither a Saturday, Sunday nor a legal holiday. Intermediate Saturdays, Sundays and holidays shall be included in the computation. A half-holiday shall be considered as other days and not as a holiday.

§ 308.17 *Documents in proceedings confidential.* Unless and until otherwise ordered by the Board of Directors, the notice of hearing, the transcript, the recommended decision of the trial examiner, exceptions thereto, proposed findings or conclusions, and briefs in support of such proposals or in support of or in opposition to such exceptions, the findings and conclusions of the Board of Directors and other papers which are filed in connection with any hearing shall not be made public, and shall be for the confidential use only of the Board of Directors, the bank and appropriate supervising authorities.

§ 308.18 *Formal requirements as to papers filed—(a) Form.* All papers filed under this part shall be typewritten, mimeographed, or printed.

(b) *Signature.* All papers must be signed by an officer of the bank filing the same, or its duly authorized agent or attorney, or counsel for the Corporation, and, except in the case of counsel for the Corporation, must show the address of the signer.

(c) *Caption.* All papers filed must include at the head thereof, or on a title page, the name of the Corporation, the name of the bank, and the subject of the particular paper.

§ 308.19 *Termination of insured status of banking institution not engaged in the business of receiving deposits other than trust funds.* Whenever the Board of Directors shall have evidence indicating that an insured banking institution is not engaged in the business of receiving deposits, other than trust funds, it will give notice in writing to the banking institution of such fact, and will direct the banking institution to show cause why the insured status of the banking institution should not be

possession or under the control of the Corporation or any officer, agent, or employee thereof, and all facts or information contained in such records or acquired by said officers, agents, or employees in the performance of their official duties (collectively referred to as "information" in this section) are confidential, unless prepared for public distribution by order of the Board of Directors of the Corporation or its Chairman.

(b) *Certain records and information also privileged.* Records and information pertaining to (1) examinations or investigations of insured banks, (2) applications and reports to the Corporation by any bank (exclusive of applications for loans or purchases of assets under section 13 (c) and (e) of the Federal Deposit Insurance Act), (3) proceedings for the termination of the insured status of any bank, or (4) the internal operations of the Corporation, are conditionally privileged as well as confidential, and are sometimes referred to as "privileged" in this section.

(c) *Disclosure prohibited.* Officers, agents, and employees of the Corporation are prohibited from allowing any person to inspect, examine, or copy any of said confidential or privileged records, or furnishing copies thereof, or from disclosing any such confidential or privileged information, except as hereinafter provided:

(1) The Chief of any Division having custody thereof, in his discretion, may release or furnish any record or information, not privileged, to any governmental agency, State or Federal, for use in the exercise of its official duties; and to any other person upon a verified written application, which shall show that the applicant has a substantial interest therein and the purpose for which it is to be used: *Provided*, That such disclosure, in the opinion of the Division Chief, will not be prejudicial to the Corporation or the public interest.

(2) The Chief of the Division of Examination may furnish to an insured nonmember bank copies of any reports of examination of such bank (except the section designated "confidential") and other information pertaining to its affairs: *Provided*, That copies of such reports of examination and other information so furnished to an insured nonmember bank shall remain the property of the Corporation and under no circumstances shall the bank or any of its directors, officials, or employees disclose or make public in any manner such reports or any portion thereof or other information so furnished.

(3) The Chief of the Division of Examination may furnish to the Comptroller of the Currency, to any Federal Reserve bank, and to any commission, board, or authority having supervision of a State nonmember bank, and to the Reconstruction Finance Corporation, if it owns or holds as pledgee, or has under consideration an application for the purchase of, any preferred stock, capital notes, or debentures in such bank, copies of reports of examination made on behalf of the Corporation and other information pertaining to insured nonmember banks for use in the exercise of their official duties: *Provided*, That such reports

of examination and other information so furnished to such officials or agency shall remain the property of the Corporation and under no circumstances shall any such official or agency disclose or make public in any manner such reports or any portion thereof or other information so furnished.

(4) The Chief of the Division of Examination may furnish to any official of the Department of Justice any information regarding defalcations, burglaries, or robberies affecting insured banks, when, in his opinion, there is urgent need for immediate action to be taken by such Department in the investigation thereof or the apprehension or prosecution of persons responsible therefor.

(5) The Chief of the Division of Research and Statistics may furnish to the Comptroller of the Currency, to any Federal Reserve bank, and to any commission, board, or authority having supervision of a State nonmember bank copies of reports of condition made by insured banks to the Corporation, including statements of assets, liabilities, and capital accounts, and of earnings, expenses, and distribution of profits, for use in the exercise of their official duties: *Provided*, That under no circumstances shall such State or Federal officials make public the contents of such reports or any portion thereof, except in the publication of general statistical reports.

(6) The General Counsel of the Corporation may disclose to the proper Federal prosecuting authorities any and all records and information relating to irregularities discovered in open and closed insured banks believed to constitute violations of the Federal criminal statutes. The General Counsel may authorize the production of any record, the disclosure of any information, and the giving of any testimony with respect thereto, by any officer or employee of the Corporation, upon any proceeding, hearing, or trial, civil or criminal, in any State or Federal court or before any administrative board, commission, or committee. Such authorization may be given only in response to a subpoena or other process duly issued and served upon the Corporation at its principal office, which service may be by registered mail addressed to the Corporation at Washington, D. C., specifying the record requested, the nature and scope of the testimony to be elicited, the name of the witness and the place and time of appearance: *Provided*, That the General Counsel, in his discretion, may waive the requirement of service of subpoena or process when he believes it to be in the interest of justice to do so. Without such prior authorization, any officer or employee required to respond to a subpoena or other legal process shall attend at the time and place therein mentioned and respectfully decline to produce any record or disclose any information or give any testimony with respect thereto, basing his refusal upon this rule: *Provided*, That this prohibition shall not apply to information which may be disclosed pursuant to and in accordance with the provisions of subsection (b), section 22 of the

Federal Reserve Act as amended by section 326 of the Banking Act of 1935 (sec. 22, 38 Stat. 272, as amended; 12 U. S. C. 594) and, *Provided further*, That when such requested records or information are privileged, the General Counsel shall not authorize their production or disclosure in any of the suits or proceedings hereinbefore mentioned, or otherwise, except where the production of such evidence is requested in behalf of the Corporation, the United States, or the person from whom such privileged documents and information were obtained.

(d) *Application for disclosure.* Applications for disclosure of information or records hereunder should be addressed to the appropriate Division Chief or the General Counsel of the Corporation, as the case may be.

(e) *Service of process on officer, agent, or employee.* Any officer, agent, or employee of the Corporation served with a subpoena, order, or other process requiring his personal attendance as a witness or the production of records or information upon any proceeding mentioned in paragraph (c) (6) of this section shall promptly advise (1) the court or tribunal which issued the process, and the attorney for the party at whose instance the process was issued, if known, of the substance of this rule, and (2) the General Counsel of the Corporation at Washington, D. C., of such service and of the records and information requested and any facts which may be of assistance to the General Counsel in determining whether such records and information should be made available.

(f) *Authority of Chairman of Board of Directors.* Notwithstanding any of the foregoing provisions, the Chairman of the Board of Directors, in his discretion and pursuant to law, may authorize the production, examination, or inspection of any records, or the furnishing of copies thereof, or the disclosure of any information, or may direct the General Counsel or the Chief of any Division to refuse to permit the production, examination, or inspection of any records, or the furnishing of copies thereof, or the disclosure of any information, when in his opinion such action is consistent with the public interest.

§ 309.2 *Opinions and orders.* A survey and review of the opinions and orders heretofore made by the Board of Directors of the Corporation in the adjudication of cases, in connection with licensing, supervision, investigation, termination of insured status, payment of insured deposits, and the administration of liquidations and receiverships, disclose that their publication would not be of current interest or importance, they are not cited as precedents, and are required for good cause to be held confidential. Accordingly, they will not be published nor made available to public inspection.

The Board of Directors will, however, either publish, or, in accordance with published rule, make available for public inspection, final opinions and orders in the adjudication of cases which are cited as precedents and which are not required for good cause to be held confidential.

Subchapter B—Regulations and Statements of General Policy

PART 325—INTRODUCTORY AND AUTHORITY

§ 325.0 *Scope.* The regulations and statements of general policy contained in this subchapter are promulgated pursuant to the provisions of the Federal Deposit Insurance Act and are published pursuant to the Administrative Procedure Act (60 Stat. 237), and other applicable laws, and, in accordance with the provisions of section 3 (a) (3) of the Administrative Procedure Act, contain rules adopted as authorized by law and statements of general policy or interpretations formulated and adopted by the Corporation for the guidance of the public. (Sec. 9, Pub. Law 797, 81st Cong.)

PART 326—BANK OBLIGATIONS PRESCRIBED AS DEPOSITS

Sec.

326.1 Deposits.

326.2 Money or its equivalent.

AUTHORITY: §§ 326.1 and 326.2 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply sec. 3, Pub. Law 797, 81st Cong.

§ 326.1 *Deposits.* The term “deposit” as used in section 3 (1) of the Federal Deposit Insurance Act, shall include the following obligations:

(a) *Outstanding drafts, cashier’s checks and other officer’s checks.* Outstanding drafts,¹ cashier’s checks, and other officer’s checks issued under any of the following circumstances:

- (1) For money or its equivalent received by the issuing bank; or
- (2) For a charge against a deposit account in the issuing bank; or
- (3) In settlement of checks, drafts, or other instruments forwarded to the issuing bank for collection.

(b) *Certified checks.* Checks drawn against a deposit account and certified by the drawee bank.

(c) *Traveler’s checks and letters of credit.* Outstanding traveler’s checks or letters of credit on which the bank is primarily liable issued under either of the following circumstances:

- (1) For money or its equivalent received by the issuing bank; or
- (2) For a charge against a deposit account in the issuing bank.

(d) *Special purpose funds.* Money received or held by the bank, or the credit given therefor to an account including a special or memorandum account, which money or credit is held for a special or specific

¹ Drafts drawn on foreign correspondents or foreign branches and payable only in foreign countries are not included in the term “deposit.”

purpose, regardless of whether the relationship thereby created is that of debtor-creditor, fiduciary, or any other relationship.³

§ 326.2 *Money or its equivalent.* Under paragraphs (a) and (c) of § 326.1 drafts, cashier's checks and other officer's checks, traveler's checks and letters of credit must be regarded as issued for the equivalent of money when issued in exchange for checks or drafts or for promissory notes upon which the person procuring any of the enumerated instruments is primarily or secondarily liable.

PART 327—ASSESSMENTS

Sec.

327.1 Classes of uncollected items eligible for deduction.

327.2 Periods of deduction for uncollected items.

327.3 Payment of assessments by banks whose insured status has terminated.

327.4 Time of payment.

AUTHORITY: §§ 327.1 to 327.4 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply secs. 7, 8, Pub. Law 797, 81st Cong.

§ 327.1 *Cash items—(a) Definition.* The term "cash item," as used in section 7 of the Federal Deposit Insurance Act and in this part, means any instrument providing for the payment of money which the reporting bank has received in the regular course of business pursuant to an agreement under which the bank has given credit to a deposit account, and checks and bank drafts received and paid by it in the regular course of business: *Provided*, That the instrument, check or draft is in the process of collection and is payable on presentation: *And, provided further*, That the payor or drawee of the instrument, check or draft, is a bank or person other than the reporting bank or a branch office or main office of the reporting bank other than the office where the item is received. The term "reporting bank" as used in this part means the bank filing the certified statement for assessment purposes. For the purposes of this paragraph a check or bank draft is deemed paid by the reporting bank if the bank has given cash or other consideration therefor.

(b) *Cash items eligible for deduction.* In computing the assessment base, only cash items, as defined in this section, may be deducted. Such cash items may be deducted without regard to whether withdrawal has been made against the credit given to deposit accounts therefor. No

³ Special purpose funds, defined in § 326.1 (d), include, among others and without limitation to those mentioned here, escrow funds, funds held as collateral security for an obligation due the bank or others, withheld taxes, funds held for distribution or for purchase of securities or currency, or funds held by the bank to meet its acceptances or letters of credit. The Corporation has consistently interpreted the term "deposit", as defined in the Federal Deposit Insurance Act since 1935, to include special purpose funds as defined in § 326.1 (d). These special purpose funds are also deposits by general usage. This clarification is made with the realization that some or all of the funds defined as special purpose funds in § 326.1 (d) may be within the term "deposit" as defined in the Federal Deposit Insurance Act since 1935.

cash item shall be deducted except in accordance with the provisions of this part and unless such records are maintained as will readily permit verification of the correctness thereof.

§ 327.2 *Period of deduction for uncollected cash items*—(a) *Choice of method.* An insured bank may, at its option, use either of the two following methods in computing its deductible cash items, namely: (1) by multiplying by 2 the total of the cash items forwarded for collection on the assessment base days which were received on said days and the cash items held for clearings at the close of business on said days which were received on said days, or (2) by deducting the total of cash items forwarded for collection on the assessment base days and cash items held for clearings at the close of business on said days plus uncollected cash items paid or credited on preceding days: *Provided,* The method selected must be followed for the entire assessment period. If the second alternative method is used, the maximum periods of deduction shall be as prescribed in the following paragraphs (b) and (c), and no cash item may be considered as uncollected for any period in excess of said maximum. No cash item shall be deducted after the bank has had advice that the item has been paid or dishonored.

(b) *Cash items paid or credited to deposit accounts in bank or branch located in any Federal Reserve district.* In the case of any insured bank or branch located in any Federal Reserve district, cash items forwarded for collection and cash items held for clearings at the close of business on the base day shall be eligible for deduction for that day. Any cash item forwarded for collection on preceding days which remains uncollected as of the close of business on the assessment base day shall be eligible for deduction for the base day: *Provided,* That an item shall not be considered as uncollected at the close of business on the base day if such item has been outstanding for a period in excess of the time necessary to send the item in due course to the Federal Reserve bank of the Federal Reserve district or the branch of the subdistrict thereof in which the reporting bank is located, plus the time allowed for collection from the place where the item is payable, as shown on the current Time Schedule of such Federal Reserve bank or branch thereof.

(c) *Cash items paid or credited to deposit accounts in bank or branch located outside of any Federal Reserve district.* In the case of any insured bank or branch located outside any Federal Reserve district, cash items forwarded for collection and cash items held for clearings at the close of business on the base day shall be eligible for deduction for that day. Any cash item forwarded for collection on preceding days which remains uncollected at the close of business on the assessment base day shall be eligible for deduction for the base day: *Provided,* That an item shall not be considered as uncollected at the close of business on the base day if such item has been outstanding for a period in excess of the time from the date the cash item is paid or credited to a deposit account and the

date of receipt (in the usual course of business) by the correspondent bank to which the item is forwarded for collection plus (1) the collection time allowed by the Federal Reserve time schedule for the district in which the correspondent bank is located or (2) the actual collection time, where the collection time is not included in the Federal Reserve time schedule.

(d) *Construction of section.* This section is not to be construed as requiring any bank to clear items through any Federal Reserve bank or branch thereof.

§ 327.3 *Payment of assessments by banks whose insured status has terminated*—(a) *Assumed deposits of terminating bank become deposits of assuming bank.* The deposit liabilities of an insured bank, if assumed by another insured bank, will, except to the extent that depositors of the first bank by affirmative action signify their express intention to hold the first bank liable as a debtor, be presumed for assessment purposes to cease being deposit liabilities of the first bank on the date the assumption becomes effective: *Provided*, That the requisite notice of assumption be given to the depositors of the terminating bank.¹ The assumed deposits, for assessment purposes, are deposit liabilities of the assuming bank from the date of assumption, whether or not the requisite notice of assumption has been given to the depositors.

(b) *Payment of assessments by assuming bank on assumed deposits of terminating bank.* Where the deposit liabilities of an insured bank are assumed by another insured bank and the assuming bank agrees to file the certified statement which the terminating bank is required to file, the filing of such certified statement and the payment of the assessment thereon by the assuming bank shall be deemed the acts of the terminating bank: *Provided*, That the requisite notice of assumption¹ be given to the depositors of the terminating bank and, *Provided further*, That such certified statement shall be filed separately from that required to be filed by the assuming bank.

(c) *Resumption of insured status before insurance of deposits ceases.* If a bank whose insured status has been terminated under section 8 (a) or (b) of the Federal Deposit Insurance Act, makes application to the Corporation, before the insurance of its deposits shall have ceased, to be permitted to continue or to resume its status as an insured bank and if the Board of Directors grant the application, the bank will be deemed, for assessment purposes, to continue as an insured bank and must thereafter furnish certified statements and pay assessments as though its insured status had not been terminated. For the procedure to be followed in making such application, see § 303.7 of this chapter.

¹ The requisite notice of assumption shall be the notice prescribed in § 307.3 of this chapter.

§ 327.4 *Time of payment.* Each insured bank shall pay to the Corporation the amount of the semiannual assessment due to the Corporation, as shown on its certified statement,³ at the time such statement is required to be filed under Section 7 (b) of the Federal Deposit Insurance Act.

PART 328—ADVERTISEMENT OF MEMBERSHIP

Sec.

328.0 Scope.

328.1 Mandatory requirements with regard to the official sign and its display.

328.2 Mandatory requirements with regard to the official advertising statement and manner of use.

328.3 Approved emblem and approved short title which insured banks may use at their option.

AUTHORITY: §§ 328.0 to 328.3 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply sec. 18, Pub. Law 797, 81st Cong.

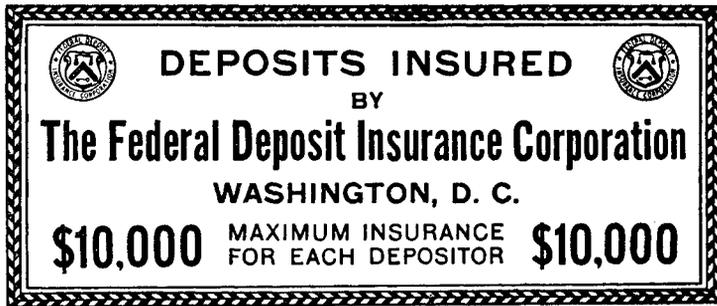
§ 328.0 *Scope.* The regulation contained in this part prescribes the requirements with regard to the official sign insured banks must display and the requirements with regard to the official advertising statement insured banks must include in their advertisements. It also prescribes an approved emblem and an approved short title which insured banks may use at their option. It imposes no limitations on other proper advertising of insurance of deposits by insured banks and does not apply to advertisements published in foreign countries by insured banks which maintain offices in such foreign countries in which offices the deposits are not insured.

§ 328.1 *Mandatory requirements with regard to the official sign and its display*—(a) *Insured banks to display official sign.* Each insured bank shall continuously display an official sign as hereinafter prescribed at each station or window where insured deposits are usually and normally received in its principal place of business and in all its branches: *Provided*, That no bank becoming an insured bank shall be required to display such official sign until twenty-one (21) days after its first day of operation as an insured bank. The official sign may be displayed by any insured bank prior to the date display is required.

(b) *Official sign.* The official sign referred to in paragraph (a) of

³See § § 304.1 and 304.3 of this chapter.

this section shall be seven inches by three inches in size, and shall be of the following design:



Any insured bank may procure official signs from the Corporation or may use any other sign of the same size, wording and appearance which shall have been approved in writing by the Corporation as conforming to the requirements of this section. Such approval will be given only in individual cases where the official sign does not harmonize with the bank's counters or fixtures or where it cannot be adequately displayed because of the type of construction of the bank's counters or fixtures. For the procedure to be followed in applying for such approval see § 303.8 of this chapter.

The Corporation shall furnish to banks an order blank for use in procuring the official signs. Any bank which promptly, after receipt of the order blank, fills it in, executes it, and properly directs and forwards it to the Federal Deposit Insurance Corporation, Washington 25, D. C., shall not be deemed to have violated this regulation on account of not displaying an official sign, or signs, unless the bank shall omit to display such official sign or signs after same have been tendered to the bank through the instrumentality of the United States mail or otherwise.

(c) *Receipt of deposits at same teller's station or window as noninsured bank.* An insured bank is forbidden to receive deposits at any teller's station or window where any noninsured bank receives deposits.

(d) *Required changes in official sign.* The Corporation may require any insured bank, upon at least thirty days written notice, to change the wording of its official signs in a manner deemed necessary for the protection of depositors or others.

§ 328.2 *Mandatory requirements with regard to the official advertising statement and manner of use.*—(a) *Insured banks to include official advertising statement in all advertisements except as provided in paragraph (c) of this section.* Each insured bank shall include the official advertising statement, prescribed in paragraph (b) of this section, in all of its advertisements except as provided in paragraph (c) of this section.

An insured bank is not required to include the official advertising

statement in its advertisements until thirty (30) days after its first day of operation as an insured bank.

In cases where the Board of Directors of the Federal Deposit Insurance Corporation shall find the application to be meritorious, that there has been no neglect or wilful violation in the observance of this section and that undue hardship will result by reason of its requirements, the Board of Directors may grant a temporary exemption from its provisions to a particular bank upon its written application setting forth the facts. For the procedure to be followed in making such application see § 303.8 of this chapter.

In cases where advertising copy not including the official advertising statement is on hand on the date the requirements of this section become operative, the insured bank may cause the official advertising statement to be included by use of a rubber stamp or otherwise.

(b) *Official advertising statement.* The official advertising statement shall be in substance as follows: "Member of the Federal Deposit Insurance Corporation." The word "the" or the words "of the" may be omitted. The words "This bank is a" or the words "This institution is a" or the name of the insured bank followed by the words "is a" may be added before the word "member".

(c) *Types of advertisements which do not require the official advertising statement.* The following is an enumeration of the types of advertisements which need not include the official advertising statement:

(1) Statements of condition and reports of condition of an insured bank which are required to be published by State or Federal law;

(2) Bank supplies such as stationery (except when used for circular letters), envelopes, deposit slips, checks, drafts, signature cards, deposit pass books, certificates of deposit, etc.;

(3) Signs or plates in the banking offices or attached to the building or buildings in which the banking offices are located;

(4) Listings in directories;

(5) Advertisements not setting forth the name of the insured bank;

(6) Display advertisements in bank directory, provided the name of the bank is listed on any page in the directory with a symbol or other descriptive matter indicating it is a member of the Federal Deposit Insurance Corporation;

(7) Joint or group advertisements of banking services where the names of insured banks and noninsured banks or institutions are listed and form a part of such advertisements;

(8) Advertisements by radio which do not exceed thirty (30) seconds in time;

(9) Advertisements by television, other than display advertisements, which do not exceed thirty (30) seconds in time;

(10) Advertisements which are of the type or character making it impractical to include therein the official advertising statement, provided

such exclusion may only be made upon the prior written consent of the Corporation.

(11) Advertisements which contain a statement to the effect that the bank is a member of the Federal Deposit Insurance Corporation, or that the bank is insured by the Federal Deposit Insurance Corporation, or that its deposits or depositors are insured by the Federal Deposit Insurance Corporation to the maximum of \$10,000 for each depositor.

(12) Advertisements relating to the making of loans by the bank or loan services;

(13) Advertisements relating to safe keeping box business or services;

(14) Advertisements relating to trust business or trust department services;

(15) Advertisements relating to real estate business or services;

(16) Advertisements relating to armored car services;

(17) Advertisements relating to service charges or analysis charges;

(18) Advertisements relating to securities business or securities department services;

(19) Advertisements relating to travel department business, including traveler's checks on which the bank issuing or causing to be issued the advertisement is not primarily liable;

(20) Advertisements relating to savings bank life insurance.

(d) *Outstanding billboard advertisements.* Where an insured bank has billboard advertisements outstanding which are required to include the official advertising statement and has direct control of such advertisements either by possession or under the terms of a contract, it shall, as soon as it can consistent with its contractual obligations, cause the official advertising statement to be included therein.

(e) *Official advertising statement in non-English language.* The non-English equivalent of the official advertising statement may be used in any advertisement: *Provided*, That the translation has had the prior written approval of the Corporation.

§ 328.3 *Approved emblem and approved short title which insured banks may use at their option*—(a) *Emblem.* The only emblem approved for use by insured banks, when reference therein is made to deposit insurance or membership in the Corporation, is the one reproduced below:



(b) *Short title.* The following short title is approved for use by insured banks only on signs or plates attached to the outside of the bank building: "MEMBER OF FDIC."

(c) *Use of emblem or short title.* If an insured bank desires to use the emblem, it may do so in any of its advertisements and on any of its bank supplies. Since the approved emblem contains the official advertising statement in the outside circle, its use in advertisements requiring the official advertising statement will satisfy the mandatory requirements of § 328.2.

PART 329—PAYMENT OF DEPOSITS AND INTEREST THEREON BY INSURED
NONMEMBER BANKS

Sec.

329.0 Scope.

329.1 Definitions.

329.2 Demand deposits.

329.3 Maximum rate of interest on time and savings deposits.

329.4 Payment of time deposits before maturity.

329.5 Notice of withdrawal of savings deposits.

329.6 Maximum rates of interest payable on time and savings deposits by insured nonmember banks.

AUTHORITY: §§ 329.0 to 329.6 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply sec. 18, Pub. Law 797, 81st Cong.

§ 329.0 *Scope.* The regulation contained in this part relates to the payment of deposits and interest thereon by insured nonmember banks. This part is not applicable to banks which are members of the Federal Reserve System. Regulation Q (Part 217 of this title), prescribed by the Board of Governors of the Federal Reserve System for banks which are members of that System, is not applicable to insured banks which are not members of the Federal Reserve System, except to the extent that the State law of a particular State provides otherwise. The provisions of this part do not apply to mutual savings banks or to any deposit in a bank located outside of, or payable only at a bank's office which is located outside of, the States of the United States and the District of Columbia.

§ 329.1 *Definitions*—(a) *Demand deposits.* The term "demand deposit" includes every deposit which is not a "time deposit" or "savings deposit", as defined below.

(b) *Time deposits.* The term "time deposits" means "time certificates of deposit" and "time deposits, open account", as defined below.

(c) *Time certificates of deposit.* The term "time certificate of deposit" means a deposit evidenced by a negotiable or nonnegotiable instrument which provides on its face that the amount of such deposit is payable:

(1) On a certain date, specified in the instrument, not less than thirty (30) days after the date of the deposit; or

(2) At the expiration of a specified period not less than thirty (30) days after the date of the instrument; or

(3) Upon written notice to be given not less than thirty (30) days before the date of repayment.¹

(d) *Time deposits, open account.* The term "time deposit, open account" means a deposit, other than a "time certificate of deposit" or a "savings deposit", with respect to which there is in force a written contract with the depositor that neither the whole nor any part of such deposit may be withdrawn, by check or otherwise, prior to the date of maturity, which shall be not less than thirty (30) days after the date of the deposit,² or prior to the expiration of the period of notice which must be given by the depositor in writing not less than thirty (30) days in advance of withdrawals.³

(e) *Savings deposits.* The term "savings deposit" means a deposit evidenced by a passbook consisting of funds (1) deposited to the credit of one or more individuals or of a corporation, association, or other organization operated primarily for religious, philanthropic, charitable, educational, fraternal, or other similar purposes and not operated for profit,⁴ or (2) in which the entire beneficial interest is held by one or more individuals or by such a corporation, association, or other organization and in respect to which:

(i) The depositor is required, or may at any time be required, by the bank to give notice in writing of an intended withdrawal not less than thirty (30) days before such withdrawal is made; or the bank consistently continues to adhere to a practice existing prior to January 23, 1936, of requiring notice of at least fifteen (15) days before permitting withdrawal;

(ii) Withdrawals are permitted in only two ways, either upon presentation of the passbook through payment to the person presenting the passbook, or without presentation of the passbook, through payment to the depositor himself but not to any other person, whether or not acting for the depositor.⁵

The provisions of subparagraphs (1) and (2) of this paragraph, limiting savings deposits to funds of certain classes of persons, shall not be ap-

¹ If the certificate of deposit provides merely that the bank reserves the right to require notice of not less than thirty (30) days before any withdrawal is made, the bank must require such notice before permitting withdrawal.

² Deposits, such as Christmas club accounts and vacation club accounts, which are made under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than three (3) months, constitute "time deposits, open account", even though some of the deposits are made within thirty (30) days from the end of such period.

³ If a deposit be made with respect to which the bank merely reserves the right to require notice of not less than thirty (30) days before withdrawal is made, the bank must require such notice to be given before permitting withdrawal.

⁴ Deposits in joint accounts of two or more individuals may be classified as savings deposits if they meet the other requirements of the above definition, but deposits of a partnership operated for profit may not be so classified. Deposits to the credit of an individual of funds in which any beneficial interest is held by a corporation, partnership, association, or other organization operated for profit or not operated primarily for religious, philanthropic, charitable, educational, fraternal, or other similar purposes may not be classified as savings deposits.

⁵ Presentation of a passbook may be made over the counter or through the mails; and payment may be made over the counter, through the mails or otherwise, subject to the limitations contained herein as to the person to whom such payment may be made.

plicable to deposits received and credited on or before February 1, 1936, to accounts evidenced by passbooks in insured nonmember banks and these deposits, together with interest subsequently payable on such deposits, less any withdrawals from such accounts, may be classed by insured nonmember banks as savings deposits under the terms of this paragraph, even though such deposits belong to an association, organization, or corporation organized for profit. The said provisions of subparagraphs (1) and (2) of this paragraph, however, shall be applicable to deposits received subsequently to February 1, 1936, whether or not such deposits are credited to an account existing prior to February 1, 1936.

The presentation by any officer, agent or employee of the bank of a passbook or a duplicate thereof retained by the bank or by any of its officers, agents or employees is not a presentation of the passbook within the meaning of this part except where the passbook is held by the bank as a part of an estate of which the bank is a trustee or other fiduciary, or where the passbook is held by the bank as security for a loan. If a passbook is retained by the bank, it may not be delivered to any person other than the depositor for the purpose of enabling such person to present the passbook in order to make a withdrawal, although the bank may deliver the passbook to a duly authorized agent of the depositor for transmittal to the depositor.

Every withdrawal made upon presentation of a passbook shall be entered in the passbook at the time of the withdrawal, and every other withdrawal shall be entered in the passbook as soon as practicable after the withdrawal is made.

§ 329.2 *Demand deposits*—(a) *Interest prohibited.* Except as provided in this part, no insured nonmember bank shall directly or indirectly, by any device whatsoever, pay any interest on any demand deposit. Within this part any payment to or for the account of any depositor as compensation for the use of funds constituting a deposit shall be considered interest.⁶

(b) *Exceptions.* The prohibition stated in paragraph (a) of this section does not apply to:

(1) Payment of interest accruing before August 24, 1937, on any deposit made by a "savings bank"⁷ as defined in the Federal Deposit Insurance Act, or by a mutual savings bank;

⁶The absorption of normal or customary exchange charges by an insured nonmember bank, in connection with the routine collection for its depositors of checks drawn on other banks, does not constitute the payment of interest within the provisions of this part.

⁷Section 3 (g) of the Federal Deposit Insurance Act provides:

"The term 'savings bank' means a bank (other than a mutual savings bank) which transacts its ordinary banking business strictly as a savings bank under State laws imposing special requirements on such banks governing the manner of investing their funds and of conducting their business: *Provided*, That the bank maintains, until maturity date or until withdrawn, all deposits made with it (other than funds held by it in a fiduciary capacity) as time savings deposits of the specific term type or of the type where the right is reserved to the bank to require written notice before permitting withdrawal: *Provided further*, That such bank to be considered a savings bank must elect to become subject to regulations of the Corporation with respect to the redeposit of maturing deposits and prohibiting withdrawal of deposits by checking except in cases where such withdrawal was permitted by law on August 23, 1935 from specifically designated deposit accounts totaling not more than 15 per centum of the bank's total deposits."

(2) Payment of interest accruing before August 24, 1937, on any deposit of public funds⁸ made by or on behalf of any State, county, school district, or other subdivision or municipality, or on any deposit of trust funds, if the payment of interest with respect to such deposit of public funds or of trust funds is required by State law when such deposits are made in State banks;

(3) Payment of interest in accordance with the terms of any certificate of deposit or other contract which was lawfully entered into in good faith before February 1, 1936 (or, if the bank became an insured nonmember bank thereafter, before the date upon which it became an insured nonmember bank), which was in force on such date, and which may not legally be terminated or modified by such bank at its option and without liability; but no such certificate of deposit or other contract may be renewed or extended unless it be modified to eliminate any provision for the payment of interest on demand deposits, and every insured nonmember bank shall take such action as may be necessary, as soon as possible consistently with its contractual obligations, to eliminate from any such certificate of deposit or other contract any provision for the payment of interest on demand deposits.

(c) *Deposits in savings banks.* Deposits in "savings banks"⁹ in specifically designated deposit accounts with respect to which withdrawal by checking is permitted in accordance with section 3 (g) of the Federal Deposit Insurance Act, shall, for the purposes of this part, be classed as demand deposits.

§ 329.3 *Maximum rate of interest on time and savings deposits—(a) Maximum rate prescribed from time to time.* Except in accordance with the provisions of this part, no insured nonmember bank shall pay interest on any time deposit or savings deposit in any manner, directly or indirectly, or by any method, practice, or device whatsoever. No insured nonmember bank shall pay interest on any time deposit or savings deposit at a rate in excess of such applicable maximum rate as the Board of Directors of the Federal Deposit Insurance Corporation shall prescribe from time to time; and any rate or rates which may be so prescribed by the Board will be set forth in supplements to this part (see § 329.6), which will be issued in advance of the date upon which such rate or rates become effective.

(b) *Modification of contracts to conform to regulation.* No certificate of deposit or other contract shall be renewed or extended unless it be modified to conform to the provisions of this part, and every insured nonmember bank shall take such action as may be necessary, as soon as possible consistently with its contractual obligations, to bring all of its outstanding certificates of deposit or other contracts into conformity with the provisions of this part.

⁸ Deposits of moneys paid into State courts by private parties pending the outcome of litigation are not deposits of "public funds", within the meaning of the above provision.

⁹ See footnote 7.

(c) *Savings deposits received during the first 5 days of month.* An insured nonmember bank may pay interest on a savings deposit received during the first 5 days of any calendar month at the applicable maximum rate prescribed pursuant to the provisions of paragraph (a) of this section, calculated from the first day of such calendar month until such deposit is withdrawn or ceases to constitute a savings deposit under the provisions of this part, whichever shall first occur.

(d) *Continuance of time deposit status.* A deposit which was a time deposit at the date of deposit continues to be such until maturity, although it has become payable within thirty (30) days, and interest at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section may be paid until maturity upon such deposit. A time deposit or a savings deposit, with respect to which notice of withdrawal has been given, continues to be such until the expiration of the period of such notice, and interest may be paid upon such deposit until the expiration of the period of such notice at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section. Interest at a rate not exceeding that prescribed pursuant to the provisions of paragraph (a) of this section may be paid upon savings deposits with respect to which notice of intended withdrawal has not actually been required or given. No interest shall be paid by an insured nonmember bank on any amount which by the terms of any certificate or other contract or agreement, or otherwise, the bank may be required to pay within thirty (30) days from the date on which such amount is deposited in such bank,¹⁰ except as to savings deposits with respect to which the bank consistently continues to adhere to a practice existing prior to January 23, 1936, of requiring notice of at least fifteen (15) days before permitting withdrawal.

(e) *No interest after maturity or expiration of notice; exception.* No interest shall be paid on any time or savings deposit for any period subsequent to maturity, whether such deposit matures by its terms on a specific date or at the expiration of a notice period pursuant to written notice actually given, except if a time certificate is renewed within ten (10) days after maturity, the renewal certificate¹¹ may draw interest from the maturity date of the matured certificate.

§ 329.4 *Payment of time deposits before maturity—(a) Time deposits payable on a specified date.* No insured nonmember bank shall pay any time deposit, which is payable on a specified date, before such specified date, except as provided in paragraph (d) of this section.

(b) *Time deposits payable after a specified period.* No insured nonmember bank shall pay any time deposit, which is payable at the ex-

¹⁰ Deposits, such as Christmas club accounts and vacation club accounts, which are made under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than three (3) months, constitute "time deposits, open account" even though some of the deposits are made within thirty (30) days from the end of such period.

¹¹ Where a time certificate is renewed within ten (10) days after maturity, the renewal certificate may be dated back to the maturity date of the matured certificate.

piration of a specified period, before such period has expired, except as provided in paragraph (d) of this section.

(c) *Time deposits payable after a specified notice.* No insured nonmember bank shall pay any time deposit, with respect to which notice is required to be given a specified period before any withdrawal is made, until such required notice has been given and the specified period thereafter has expired, except as provided in paragraph (d) of this section.

(d) *Loans upon security of time deposits.* An insured nonmember bank may make a loan to the depositor upon the security of his time deposit, provided that the rate of interest on such loan shall be not less than 2 percent per annum in excess of the rate of interest on the time deposit.

Where a loan to the depositor upon the security of his time deposit upon terms satisfactory to the insured nonmember bank and the depositor cannot be arranged, and where the depositor signs a written statement to be kept in the files of the bank that he is in need of money represented by the time deposit before the maturity thereof, stating the definite amount needed, the time deposit may be paid before maturity to the extent required to meet such need, but the depositor shall forfeit accrued and unpaid interest for a period of not less than three months on the amount withdrawn. When a portion of a time certificate of deposit is paid before maturity, the certificate shall be canceled and a new certificate shall be issued for the unpaid portion of the deposit, with the same terms, rate, date, and maturity as the original deposit.

§ 329.5 *Notice of withdrawal of savings deposits—(a) Requirements regarding notice.* An insured nonmember bank shall observe the requirements set forth as follows in requiring notice of intended withdrawal of any savings deposit or part thereof or in permitting withdrawal without requiring such notice:

(1) If an insured nonmember bank pay any amount or percentage of the savings deposits of any depositor without requiring such notice, it shall, upon request, and without requiring such notice, pay the same amount or percentage of the savings deposits of every other depositor, subject to the same notice requirement, except if the bank changes its practice in accordance with paragraph (b) of this section.

(2) If an insured nonmember bank requires such notice before the payment of any amount or percentage of the savings deposits of any depositor, it shall require such notice before the payment of the same amount or percentage of the savings deposits of any other depositor, subject to the same notice requirement, except if the bank changes its practice in accordance with paragraph (b) of this section. Even though the bank's practice is to require notice, an insured nonmember bank is not prevented by this part from paying during the next succeeding interest period without requiring notice of withdrawal interest on a savings deposit which has accrued during the preceding interest period.

(b) *Requirements regarding change of practice.* No insured non-member bank shall change its practice with respect to the requiring or not requiring of notice of intended withdrawal of savings deposits, except after duly recorded action of its board of directors or of its executive committee properly authorized, and no practice in this respect shall be adopted which does not conform to the requirements of paragraphs (a) (1) and (a) (2) of this section.

(c) *Change of practice for purpose of discrimination.* No change in the practice of an insured nonmember bank with respect to the requiring or not requiring of notice of intended withdrawal of savings deposits shall be made for the purpose of discriminating in favor of or against any particular depositor or depositors.

(d) *Requirements applicable although no interest paid.* An insured nonmember bank shall observe the requirements of this section with respect to savings deposits even though no interest be paid on such deposits.

(e) *Loans upon security of savings deposits.* An insured nonmember bank may make a loan to any of its depositors upon the security of his savings deposits, provided that if the bank's practice is to require notice before permitting withdrawal of any amount or percentage of the savings deposits of any depositor, the rate of interest on such loan shall not be less than 2 percent per annum in excess of the rate of interest on the savings deposit.

§ 329.6 *Maximum rates¹² of interest payable on time and savings deposits by insured nonmember banks—(a) Maximum rate of 2½ percent.* No insured nonmember bank shall pay interest accruing after February 1, 1936, at a rate in excess of 2½ percent per annum, compounded quarterly,¹³ regardless of the basis upon which such interest may be computed:

(1) On any savings deposit.

(2) On any time deposit having a maturity date 6 months or more after the date of deposit or payable upon written notice of 6 months or more.

(3) On any postal savings deposit which constitutes a time deposit, except that an insured nonmember bank may pay interest on any such deposits in accordance with the terms of any certificate of deposit or other contract which was entered into before February 1, 1936 (or, if the bank becomes an insured nonmember bank thereafter, before the date upon which it becomes an insured nonmember bank), which was in force on such date and which may not legally be terminated or modified by such bank at its option and without liability.

¹² The maximum rates of interest payable by insured nonmember banks on time and savings deposits as prescribed herein are not applicable to any deposit which is payable only at an insured nonmember bank, or at an office of an insured nonmember bank, located outside of the States of the United States and the District of Columbia.

¹³ This limitation is not to be interpreted as preventing the compounding of interest at other than quarterly intervals: *Provided*, That the aggregate amount of such interest so compounded does not exceed the aggregate amount of interest at the rate above prescribed when compounded quarterly.

(b) *Maximum rate of 2 percent.* No insured nonmember bank shall pay interest accruing after February 1, 1936, at a rate in excess of 2 percent per annum, compounded quarterly, regardless of the basis upon which such interest may be computed, on any time deposit (except postal savings deposits which constitute time deposits) having a maturity date less than 6 months and not less than 90 days after the date of deposit or which is originally or becomes payable upon written notice of less than 6 months and not less than 90 days, except that an insured nonmember bank may pay interest on such deposits in accordance with the terms of any certificate of deposit or other contract which was entered into before February 1, 1936 (or, if the bank becomes an insured nonmember bank thereafter, before the date upon which it becomes an insured nonmember bank), which was in force on such date and which may not legally be terminated or modified by such bank at its option and without liability.

(c) *Maximum rate of 1 percent.* No insured nonmember bank shall pay interest accruing after February 1, 1936, at a rate in excess of 1 percent per annum, compounded quarterly, regardless of the basis upon which such interest may be computed, on any time deposit (except postal savings deposits which constitute time deposits) having a maturity date less than 90 days after the date of deposit or which is originally or becomes payable upon written notice of less than 90 days, except that an insured nonmember bank may pay interest on such deposits in accordance with the terms of any certificate of deposit or other contract which was entered into before February 1, 1936 (or, if the bank becomes an insured nonmember bank thereafter, before the date upon which it becomes an insured nonmember bank), which was in force on such date and which may not legally be terminated or modified by such bank at its option and without liability.

(d) *Discontinuance of payments on outstanding certificates of indefinite maturities.* Banks which on January 23, 1936, have outstanding certificates of indefinite maturities representing deposit liabilities drawing interest as savings deposits must within 1 year from February 1, 1936, discontinue to pay thereon the rate applicable hereunder to savings deposits unless meanwhile the same be converted into savings deposits as defined in this part.

PART 330—RECOGNITION OF DEPOSIT OWNERSHIP
NOT ON BANK RECORDS

Sec.

330.1 Deposits evidenced by negotiable instruments.

330.2 Deposit obligations for payment of items forwarded for collection by bank acting as agent.

330.3 Deposits of public officers.**330.4** Deposits in custodial accounts.

AUTHORITY: §§ 330.1 to 330.4 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply sec. 12, Pub. Law 797, 81st Cong.

§ 330.1 *Deposits evidenced by negotiable instruments.* If any insured deposit obligation of a bank be evidenced by a negotiable certificate of deposit, negotiable draft, negotiable cashier's or officer's check, negotiable certified check, or negotiable traveler's check or letter of credit, the owner of such deposit obligation will be recognized for all purposes of claim for insured deposits to the same extent as if his name and interest were disclosed on the records of the bank provided the instrument was in fact negotiated to such owner prior to the date of the closing of the bank. Affirmative proof of such negotiation must be offered in all cases to substantiate the claim.

§ 330.2 *Deposit obligations for payment of items forwarded for collection by bank acting as agent.* Where a closed bank has become obligated for the payment of items forwarded for collection by a bank acting solely as agent, the owner of such items will be recognized for all purposes of claim for insured deposits to the same extent as if his name and interest were disclosed on the records of the bank when such claim for insured deposits, if otherwise payable, has been established by the execution and delivery of prescribed forms. Such bank forwarding such items for the owners thereof will be recognized as agent for such owners for the purpose of making an assignment of the rights of such owners against the closed insured bank to the Federal Deposit Insurance Corporation and for the purpose of receiving payment on behalf of such owners.

§ 330.3 *Deposits of public officers.* The owner of any portion of a deposit appearing on the records of a closed bank under the name of a public official, State, county, city, or other political subdivision will be recognized for all purposes of claim for insured deposits to the same extent as if his name and interest were disclosed on the records of the bank: *Provided*, That the interest of such owner in the deposit is disclosed on the records maintained by such public official, State, county, city, or other political subdivision and, *Provided further*, That such records have been maintained in good faith and in the regular course of business.

§ 330.4 *Deposits in custodial accounts.* The owner of any portion of a deposit appearing on the records of a closed bank under a name other than that of the claimant, whose name or interest as such owner is not disclosed on the records of the closed bank as part owner of said deposit, will be recognized for all purposes of claim for insured deposits to the same extent as if his name and interest were disclosed on the records of the bank: *Provided*, That the deposit is maintained in a specifically designated deposit account or accounts in such a manner as to disclose the custodial nature thereof and, *Provided further*, That the name and interest of such owner in the deposit is disclosed on the records of the

person in whose name the deposit is maintained and such records have been maintained in good faith and in the regular course of business.

PART 331—INSURANCE OF TRUST FUNDS

§ 331.1 *Claim by fiduciary bank for insured deposits of trust estates.* In the event of the closing of an insured bank for inability to meet the demands of its depositors, the claim for insured deposits made by a fiduciary bank or trust company which, in the exercise of its trust powers, had deposited trust funds therein will be determined as follows:

(a) *Allocated funds of a trust estate.* If trust funds of a particular trust estate are allocated by the fiduciary and deposited, the deposit with respect to such estate will be determined by ascertaining the amount of its funds allocated, deposited and remaining to the credit of the claimant as fiduciary in the closed insured bank.

(b) *Interest of a trust estate in unallocated trust funds.* If trust funds of a particular trust estate be mingled¹ with trust funds of other trust estates and deposited by the fiduciary bank or trust company in one or more insured banks to the credit of the depositing bank or trust company as fiduciary, without allocation of specific amounts from the particular trust estate to an account in such bank or banks, the deposit with respect to such estate in any closed insured bank will be the amount which will bear the same ratio to all unallocated funds of the estate for which the fiduciary is accountable as the entire unallocated trust funds to the credit of the fiduciary bank or trust company in the closed insured bank will bear to the entire amount of such funds so deposited by the fiduciary in all depositories.²

(c) *Claims for funds of corporate trusts determined on basis of allocation.* The rule stated in paragraph (b) of this section will not be applied to funds of a bank or trust company held as fiduciary under a type of trust created to facilitate the issuance, distribution, or servicing of corporate bonds, debentures, or stock issues, commonly known as corporate trusts. The claim of the fiduciary bank with respect to deposits of such funds will be determined according to allocations of the funds of particular estates to particular deposit accounts.

(d) *Insured deposit of a trust estate.* In arriving at the total insured deposit of a fiduciary bank or trust company with respect to any trust estate, the deposit of such estate as determined in accordance with any paragraph of this section shall be combined with that determined under any other subsection of this section and the insured deposit shall be the total less any amount thereof in excess of \$10,000.

(Sec. 9, Pub. Law 797, 81st Cong. Interprets or applies secs. 3, 7, 12, Pub. Law 797, 81st Cong.).

¹ This section is not to be construed as an express or implied approval of such commingling of trust funds as may be involved in the maintaining of general trust accounts.

² In determining claims under this paragraph, unallocated trust funds in the fiduciary bank will be included in the totals of such funds.

PART 332—POWERS INCONSISTENT WITH PURPOSES OF FEDERAL DEPOSIT
INSURANCE LAW

Sec.

332.1 Inconsistent powers.

332.2 Exercise prohibited.

AUTHORITY: §§ 332.1 and 332.2 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply sec. 6, Pub. Law 797, 81st Cong.

§ 332.1 *Inconsistent powers.* A State nonmember insured bank (except a District bank) which does not have any of the powers herein-after enumerated, or which, although it has any such power, does not exercise the same, shall not hereafter exercise, take, or assume the power: (a) to do a surety business; (b) to insure the fidelity of others; (c) to engage in insuring, guaranteeing or certifying titles to real estate; or (d) to guarantee or become surety upon the obligations of others.¹

§ 332.2 *Exercise prohibited.* After the effective date of this part, any State nonmember bank (except a District bank) becoming an insured bank shall not thereafter exercise any of the powers enumerated in § 332.1.

PART 333—EXTENSION OF CORPORATE POWERS

REGULATIONS

Sec.

333.1 Classification of general character of business.

333.2 Change in general character of business.

INTERPRETATIONS

333.101 Prior consent not required.

AUTHORITY: §§ 333.1 to 333.101 issued under sec. 9, Pub. Law 797, 81st Cong. Interpret or apply sec. 6, Pub. Law 797, 81st Cong.

REGULATIONS

§ 333.1 *Classification of general character of business.* State non-member insured banks are divided into five categories for the purpose of classifying their general character or type of business,² viz: commercial banks, banks and trust companies, savings banks (including mutual and stock), industrial banks, and cash depositories.

§ 333.2 *Change in general character of business.* No State non-member insured bank (except a District bank) or branch thereof shall hereafter cause or permit any change to be made in the general character or type of business exercised by it after the effective date of this part without the prior written consent of the Corporation.

¹ The limitations prescribed in paragraph (d) do not include acceptances or endorsements made in the usual course of the banking business.

² A bank's business may include two or more of the general classifications.

INTERPRETATIONS

§ 333.101 *Prior consent not required.* The extension by any State nonmember insured bank of its business to include personal, character or installment loans, or the extension by an industrial bank of its business to include those of a commercial bank, is not a change in the general character or type of business requiring the prior written consent of the Corporation.

FEDERAL DEPOSIT INSURANCE
CORPORATION,

[SEAL]

E. F. DOWNEY,
Secretary,

F. R. Doc. 50-11160; Filed, Dec. 5, 1950; 8:57 a. m.]

STATE BANKING LEGISLATION

In 1950 the legislatures of thirteen States held regular sessions and five of these legislatures held special sessions. The legislatures of thirteen other States held special sessions.

This summary includes the more important State banking legislation enacted in 1950.

SUPERVISORY AUTHORITY

| | |
|---|--------------------------|
| Appointment of Bank Commissioner | Connecticut (H.B. 47xxx) |
| Report of violations and shortages to Commissioner of Banks and District Attorney | Massachusetts (Ch. 368) |
| Examination report furnished bank only for its use and may not be shown to others without consent of Commissioner of Banks. | Massachusetts (Ch. 428) |
| Governor's authority to protect depositors and maintain banking structure in emergency | Massachusetts (Ch. 639) |
| Microfilming and destruction of records | New Jersey (Ch. 195) |

ORGANIZATION AND CHARTER CHANGES

| | |
|--|-------------------------|
| Holders of two-thirds instead of three-fourths of stock to consent to dissolutions | New Jersey (Ch. 33) |
| Application for charter to have affidavit that each subscriber has agreed to pay in cash for his share of stock, surplus and reserve for expense upon approval | New Jersey (Ch. 181) |
| Amendment of agreement of association or of charter of savings bank with approval of board of bank incorporation | Rhode Island (Ch. 2529) |

SHAREHOLDERS

| | |
|---|----------------------|
| Twenty days notice to shareholders of meeting to approve merger agreement | New Jersey (Ch. 153) |
| Preemptive rights to purchase new stock within time fixed by Board of Directors | New Jersey (Ch. 267) |
| Annual meeting on fourth Tuesday in January unless otherwise fixed in by-laws | New Jersey (Ch. 46) |

GENERAL OPERATING PROVISIONS

| | |
|---|-------------------------|
| Coercion by lender in placing insurance on real and personal property prohibited | Massachusetts (Ch. 520) |
| Banking institution may apply for license as sales finance company with its own bond instead of surety bond | Michigan (Act 27) |
| Limitation of deposits by bank in another bank to 25 percent of capital funds of depository bank removed | New Jersey (Ch. 75) |
| Reserves | New Jersey (Ch. 122) |

DEPOSITS

| | |
|---|--------------------------|
| Limitation on deposits and certificate funds of banking companies | Massachusetts (Ch. 92) |
| Disposition of abandoned property | Massachusetts (Ch. 801) |
| Maximum and minimum amounts of deposits in savings banks | New Jersey (Ch. 214) |
| Interest and dividends on deposits in savings banks | New Jersey (Ch. 233) |
| Banks having State deposits to make monthly report to Comptroller General | South Carolina (Act 983) |

LOANS

| | |
|--|-------------------------|
| Payments on principal of savings bank construction loan to commence in nine instead of six months | Massachusetts (Ch. 85) |
| Valuation and revaluation of real estate mortgages held by savings bank | Massachusetts (Ch. 96) |
| Personal loans by savings banks to be repaid within 2-year period | Massachusetts (Ch. 365) |
| Loans insured under Federal Farm Tenant Act | Massachusetts (Ch. 598) |
| Purchase or acquisition of installment loans | New York (Ch. 586) |
| Foreign banks authorized to acquire from bank part or entire interest in loan made by bank and in its security | New Jersey (Ch. 97) |
| Real property mortgages purchased by bank | New Jersey (Ch. 183) |
| Savings bank loans of \$10,000 or less on collateral security of value of 110 percent of loan | New Jersey (Ch. 164) |
| Modification of real estate loan limitations | New Jersey (Ch. 247) |
| Savings bank mortgage loan limitations | New Jersey (Ch. 313) |
| Taking interest in advance on loans | New Jersey (Ch. 311) |
| Personal loan departments of banks and trust companies | New York (Ch. 9) |

INVESTMENTS

| | |
|--|-------------------------|
| In general obligations of any one political subdivision of State not in excess of 50 percent of capital and surplus | Georgia (H.B. 241) |
| Savings banks authorized to invest in common stock of national banks anywhere in U. S. with capital funds of \$40 million and 6 percent of deposits and with ten year dividend rate of 4 percent, not in excess of 1/15 of capital funds of savings bank in any bank stock or 2/3 of capital funds in all bank stock | Massachusetts (Ch. 367) |
| Savings bank investment in equipment obligations | New Jersey (Ch. 200) |
| Restrictions on power to take and hold real estate | New York (Ch. 8) |
| Sale of obligations of certain public units to banks and trust companies of which an officer or employee of the public unit is an officer, director, or stockholder | New York (Ch. 551) |
| Savings bank investments | New York (Ch. 645) |

TRUST ACTIVITIES

| | |
|--|------------------------|
| Joint control of money or assets by surety and fiduciary required to give bond | Massachusetts (Ch. 65) |
| Common trust fund | Mississippi (Ch. 328) |
| Investment of common trust funds in direct obligations of United States excepted from requirement of ready market over the counter or on an exchange | New Jersey (Ch. 123) |
| Investment powers of fiduciaries | New York (Ch. 464) |

DIRECTORS, TRUSTEES, OFFICERS, AND EMPLOYEES

| | |
|---|------------------------|
| Election of trust company directors at special meeting of shareholders authorized | Massachusetts (Ch. 93) |
| Reports to Board of Directors | Massachusetts (Ch. 93) |
| Executive Committee of Board of Directors | New Jersey (Ch. 160) |
| Compensation of trustees of savings bank | New York (Ch. 16) |
| Retirement benefits of officers and employees | New Jersey (Ch. 288) |

CHECKS AND COLLECTIONS

- Banks not liable for payment of post-dated check prior to its date unless certified or accepted and may return to last endorser any such check paid in error. Louisiana (Act 143)
- Death of drawer of check on bank not a revocation of authority to pay check until bank has notice of death. Mississippi (Ch. 201)
New Jersey (Ch. 124)
- Deferred posting and delayed returns act. Louisiana (Act 144)
Massachusetts (Ch. 287)
Mississippi (Ch. 204)
New York (Ch. 153)
Virginia (Ch. 48)
- Bank paying check subject to stop-payment order subrogated to rights of payee, endorsers and drawer. Louisiana (Act 145)
- Issuance of bad check of \$25 or more made a felony. Mississippi (Ch. 316)

LIQUIDATION

- Disposal of unclaimed dividends. Idaho (Ch. 10)
- Disposition of amounts unclaimed in voluntary and involuntary liquidations. New York (Ch. 44)

MISCELLANEOUS

- Microfilm or photographic copy of bank files or record on original record admissible in evidence. Louisiana (Act 146)
New Jersey (Ch. 104)
- Uniform Trust Receipts Act. Mississippi (Ch. 331)

PART FIVE

STATISTICS OF BANKS AND DEPOSIT INSURANCE

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS

Table 101. Changes in number and classification of operating banks and branches in the United States and possessions during 1950

Table 102. Number of operating banks and branches, December 30, 1950
Grouped according to insurance status and class of bank, and by State and type of office

Table 103. Number and deposits of all operating banks, December 30, 1950
Banks grouped according to insurance status and by district and State

The line of demarcation between banks and other types of financial institutions is not always clear. In these tables provision of deposit facilities for the general public is the chief criterion. However, trust companies engaged in general fiduciary business though not in deposit banking are included; and credit unions and savings and loan associations are excluded except in the case of a few which accept deposits under the terms of special charters.

The tabulations for all banks and trust companies shown here and in Tables 104-106 are prepared in accordance with an agreement among the Federal bank supervisory agencies. The data are tabulated from individual reports of assets and liabilities of the banks included. Institutions included are classified in three groups: commercial and stock savings banks, nondeposit trust companies, and mutual savings banks. However, in the case of insured banks the first two of these groups are combined in the tabulations.

Commercial and stock savings banks include the following categories of banking institutions:

National banks;

Incorporated State banks, trust companies, and bank and trust companies, regularly engaged in the business of receiving deposits, whether demand or time, except mutual savings banks;

Stock savings banks, including guaranty savings banks in New Hampshire;

Industrial and Morris Plan banks which operate under general banking codes, or are specifically authorized by law to accept deposits and in practice do so, or the obligations of which are regarded as deposits for deposit insurance;

Special types of banks of deposit: cash depositories in South Carolina; cooperative exchanges in Arkansas; savings and loan companies operating under Superior Court charters in Georgia; government operated banks in American Samoa, North Dakota, and Puerto Rico; a cooperative bank, usually classified as a credit union, operating under a special charter in New Hampshire; two savings institutions, known as "trust companies," operating under special charters in Texas; employes' mutual banking associations in Pennsylvania; and the Savings Banks Trust Company in New York.

Private banks under State supervision, and such other private banks as are reported by reliable unofficial sources to be engaged in deposit banking;

Branches of foreign banks which engage in a general deposit business in the continental United States or in the possessions.

Nondeposit trust companies include institutions operating under trust company charters which are not regularly engaged in deposit banking but are engaged in fiduciary business other than that incidental to real estate title or investment activities.

Mutual savings banks include all banks operating under State banking codes applying to mutual savings banks.

Institutions excluded. Institutions in the following categories are excluded, though such institutions may perform many of the same functions as commercial and savings banks:

Banks which have suspended operations or have ceased to accept new deposits and are proceeding to liquidate their assets and pay off existing deposits;

Building and loan associations, savings and loan associations, credit unions, personal loan companies, and similar institutions, chartered under laws applying to such institutions or under general incorporation laws, regardless of whether such institutions are authorized to accept deposits from the public or from their members and regardless of whether such institutions are called "banks" (a few institutions accepting deposits under powers granted in special charters are included);

Morris Plan companies, industrial banks, loan and investment companies, and similar institutions except those mentioned in the description of institutions included;

Branches of foreign banks, and private banks, which confine their business to foreign exchange dealings and do not receive "deposits" as that term is commonly understood;

Institutions chartered under banking or trust company laws, but operating as investment or title insurance companies and not engaged in deposit banking or fiduciary activities;

Federal Reserve banks and other banks, such as the Federal Home Loan banks and the Savings and Loan Bank of the State of New York, which operate as rediscount banks and do not accept deposits except from financial institutions;

The postal savings system.

**Table 101. CHANGES IN NUMBER AND CLASSIFICATION OF OPERATING BANKS AND BRANCHES
IN THE UNITED STATES AND POSSESSIONS DURING 1950**

| Type of change | All banks | | | Commercial and stock savings banks and nondeposit trust companies | | | | | | | Mutual savings banks | | | |
|---|------------|--------------|-----------------|--|----------------------|-------------------------|-----------|--|--------------------------|---|----------------------|-----------|---------------------------|-----------------|
| | Total | In- sured | Non- insured | Total | Insured ¹ | | | | Noninsured | | | Total | In- sured ² | Non- insured |
| | | | | | Total | Members F. R. System | | Not mem- bers F. R. System | Banks of de- posit | Non- depos- it trust com- panies | | | | |
| | | | | | | National | State | | | | | | | |
| BANKS | | | | | | | | | | | | | | |
| Number of banks, December 30, 1950..... | 14,693 | 13,640 | 1,053 | 14,164 | 13,446 | 4,958 | 1,912 | 6,576 | 653 | 65 | 529 | 194 | 335 | |
| Number of banks, December 31, 1949..... | 14,736 | 13,628 | 1,108 | 14,205 | 13,436 | 4,975 | 1,914 | 6,547 | 704 | 65 | 531 | 192 | 339 | |
| Net change during year..... | -43 | +12 | -55 | -41 | +10 | -17 | -2 | +29 | -51 | | -2 | +2 | -4 | |
| Banks beginning operations..... | 69 | 59 | 10 | 69 | 59 | 6 | 8 | 45 | 10 | | | | | |
| New banks..... | 67 | 58 | 9 | 67 | 58 | 6 | 8 | 44 | 9 | | | | | |
| Other additions to operating banks ³ | 2 | 1 | 1 | 2 | 1 | | | 1 | 1 | | | | | |
| Banks ceasing operations..... | 106 | 95 | 11 | 104 | 95 | 28 | 12 | 55 | 9 | | 2 | | 2 | |
| Suspended banks not reopened or succeeded..... | 1 | | 1 | 1 | | | | | 1 | | | | | |
| Absorbed with financial aid of FDIC—net decrease..... | 4 | 4 | | 4 | 4 | 2 | | 2 | | | | | | |
| Mergers, consolidations and absorptions (without FDIC aid)—net decrease..... | 89 | 84 | 5 | 88 | 84 | 25 | 12 | 47 | 4 | | 1 | | 1 | |
| Other liquidations ⁴ | 12 | 7 | 5 | 11 | 7 | 1 | | 6 | 4 | | 1 | | 1 | |
| Noninsured banks becoming insured..... | | +48 | -48 | | +46 | +2 | +3 | +41 | -46 | | | +2 | -2 | |
| Successions to noninsured banks..... | | +5 | -5 | | +5 | +2 | | +3 | -5 | | | | | |
| Admissions to insurance, operating banks ⁵ | | +40 | -40 | | +38 | | | +38 | -38 | | | +2 | -2 | |
| Admissions to F. R. System..... | | +3 | -3 | | +3 | | +3 | | -3 | | | | | |
| Other changes in classification..... | -6 | | -6 | -6 | | +3 | -1 | -2 | -6 | | | | | |
| National banks succeeding State banks..... | | | | | | +4 | -3 | -1 | | | | | | |
| State banks succeeding national bank..... | | | | | | -1 | | +1 | | | | | | |
| Admissions to F. R. System..... | | | | | | | +6 | -6 | | | | | | |
| Withdrawals from F. R. System..... | | | | | | | -4 | +4 | | | | | | |
| Offices reclassified ⁶ | -6 | | -6 | -6 | | | | | -6 | | | | | |
| Changes not involving number in any class: | | | | | | | | | | | | | | |
| Successions..... | 4 | 3 | 1 | 4 | 3 | 2 | | 1 | 1 | | | | | |
| Changes in title, location, or name of location..... | 121 | 120 | 1 | 116 | 116 | 22 | 13 | 81 | | | 5 | 4 | 1 | |
| Change in classification..... | 2 | | 2 | 2 | | | | | 2 | | | | | |
| Change in corporate powers..... | 11 | 11 | | 11 | 11 | | | 11 | | | | | | |

| BRANCHES | | | | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|-----------|------------|------------|----|-----------|-----------|-----------|
| Number of branches, December 30, 1950 | 5,158 | 4,984 | 174 | 4,945 | 4,832 | 2,230 | 1,359 | 1,243 | 112 | 1 | 213 | 152 | 61 |
| Number of branches, December 31, 1949 | 4,864 | 4,671 | 193 | 4,665 | 4,530 | 2,085 | 1,302 | 1,143 | 134 | 1 | 199 | 141 | 58 |
| Net change during year | +294 | +313 | -19 | +280 | +302 | +145 | +57 | +100 | -22 | | +14 | +11 | +3 |
| Branches opened for business | 311 | 300 | 11 | 298 | 293 | 138 | 72 | 83 | 5 | | 13 | 7 | 6 |
| Facilities provided as agents of the government ⁷ | 36 | 35 | 1 | 36 | 35 | 25 | 3 | 7 | 1 | | | | |
| Absorbed banks converted into branches | 73 | 71 | 2 | 73 | 71 | 39 | 20 | 12 | 2 | | | | |
| Branches replacing offices relocated | 3 | 2 | 1 | 2 | 2 | 1 | | 1 | | | 1 | | 1 |
| Other branches opened | 193 | 186 | 7 | 181 | 179 | 73 | 49 | 67 | 2 | | 12 | 7 | 5 |
| Branches not previously included ⁸ | 6 | 6 | | 6 | 6 | | | 6 | | | | | |
| Branches discontinued⁹ | 24 | 23 | 1 | 24 | 23 | 8 | 10 | 5 | 1 | | | | |
| Facilities discontinued | 7 | 7 | | 7 | 7 | 5 | 1 | 1 | | | | | |
| Other branches discontinued | 17 | 16 | 1 | 17 | 16 | 3 | 9 | 4 | 1 | | | | |
| Other changes in classification among branches | +7 | +36 | -29 | +6 | +32 | +15 | -5 | +22 | -26 | | +1 | +4 | -3 |
| Branches of noninsured banks admitted to insurance | | +35 | -35 | | +32 | | | +32 | -32 | | | +3 | -3 |
| Branches transferred as result of absorption or succession | +1 | +1 | | +1 | +1 | +16 | -5 | -10 | | | | | |
| Sale of branch to another bank | | | | -1 | -1 | -1 | | | | | +1 | +1 | |
| Offices reclassified ⁹ | +6 | | +6 | +6 | | | | | +6 | | | | |
| Changes not involving number in any class: | | | | | | | | | | | | | |
| Successions | 1 | 1 | | 1 | 1 | | | 1 | | | | | |
| Branches transferred as result of absorption or succession | 36 | 36 | | 36 | 36 | 6 | 28 | 2 | | | | | |
| Change in title, location, or name of location | 182 | 132 | | 127 | 127 | 78 | 28 | 21 | | | 5 | 5 | |
| Change in powers | 2 | 2 | | 2 | 2 | 1 | | 1 | | | | | |
| ALL BANKING OFFICES | | | | | | | | | | | | | |
| Number of offices, December 30, 1950 | 19,851 | 18,624 | 1,227 | 19,109 | 18,278 | 7,188 | 3,271 | 7,819 | 765 | 66 | 742 | 346 | 396 |
| Number of offices, December 31, 1949 | 19,600 | 18,299 | 1,301 | 18,870 | 17,966 | 7,060 | 3,216 | 7,690 | 838 | 66 | 730 | 333 | 397 |
| Net change during year | +251 | +325 | -74 | +239 | +312 | +128 | +55 | +129 | -73 | | +12 | +13 | -1 |
| Offices opened | 380 | 359 | 21 | 367 | 352 | 144 | 80 | 128 | 15 | | 13 | 7 | 6 |
| Banks | 69 | 59 | 10 | 69 | 59 | 6 | 8 | 45 | 10 | | | | |
| Branches | 311 | 300 | 11 | 298 | 293 | 138 | 72 | 83 | 5 | | 13 | 7 | 6 |
| Offices closed | 130 | 118 | 12 | 128 | 118 | 36 | 22 | 60 | 10 | | 2 | 2 | 2 |
| Banks | 106 | 95 | 11 | 104 | 95 | 28 | 12 | 55 | 9 | | 2 | | 2 |
| Branches | 24 | 23 | 1 | 24 | 23 | 8 | 10 | 5 | 1 | | | | |
| Changes in classification⁶ | +1 | +84 | -83 | | +78 | +20 | -3 | +61 | -78 | | +1 | +6 | -5 |
| Among banks | -6 | +48 | -54 | -6 | +46 | +5 | +2 | +39 | -52 | | | +2 | -2 |
| Among branches | +7 | +36 | -29 | +6 | +32 | +15 | -5 | +22 | -26 | | +1 | +4 | -3 |

¹ Includes 6 trust companies not engaged in deposit banking on December 30, 1950 and December 31, 1949.
² Includes 3 mutual savings banks members of the Federal Reserve System on December 30, 1950, and December 31, 1949.
³ Includes 1 financial institution becoming bank of deposit, and 1 bank which discontinued voluntary liquidation proceedings and reopened.
⁴ Includes 2 banks placed in liquidation in 1949, but included in count as of December 31, 1949.
⁵ Includes 35 banks operating at beginning of year and 5 banks opened during the year.
⁶ These 6 offices in the possessions are branches of insured banks in the United States, which were formerly tabulated as banks.
⁷ Includes 1 facility reopened prior to beginning of year but not included in count as of December 31, 1949.
⁸ Includes 5 branches opened prior to beginning of year but not included in count as of December 31, 1949.
⁹ Includes 1 facility and 1 branch discontinued prior to beginning of year but included in count as of December 31, 1949.

Table 102. NUMBER OF ALL OPERATING BANKS AND BRANCHES, DECEMBER 30, 1950
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE

| State and type of bank or office | All banks | | | Commercial and stock savings banks and nondeposit trust companies | | | | | | | Mutual savings banks | | | Insured banks as percentages of— | | | |
|--|---------------|---------------|--------------|---|----------------------|----------------------|--------------|--------------------------|------------------|-----------------------------|----------------------|------------|-----------------------|----------------------------------|--------------|-------------------|----------------------|
| | Total | Insured | Non-insured | Total | Insured ¹ | | | | Noninsured | | | Total | In-sured ² | Non-insured | All banks | Com-mercial banks | Mutual savings banks |
| | | | | | Total | Members F. R. System | | Not members F. R. System | Banks of deposit | Non-deposit trust companies | | | | | | | |
| | | | | | | National | State | | | | | | | | | | |
| United States and possessions | 19,851 | 18,624 | 1,227 | 19,109 | 18,278 | 7,188 | 3,271 | 7,819 | 765 | 66 | 742 | 346 | 396 | 93.8 | 95.7 | 46.6 | |
| All banks | 14,693 | 13,640 | 1,053 | 14,164 | 13,446 | 4,958 | 1,912 | 6,576 | 653 | 65 | 529 | 194 | 335 | 92.8 | 94.9 | 36.7 | |
| Unit banks | 13,279 | 12,306 | 973 | 12,363 | 12,179 | 4,591 | 1,691 | 5,897 | 620 | 64 | 416 | 127 | 239 | 92.7 | 94.7 | 30.5 | |
| Banks operating branches | 1,414 | 1,334 | 80 | 1,301 | 1,267 | 367 | 221 | 679 | 33 | 1 | 113 | 67 | 46 | 94.3 | 97.4 | 59.3 | |
| Branches | 5,168 | 4,984 | 174 | 4,945 | 4,832 | 2,230 | 1,359 | 1,243 | 112 | 1 | 213 | 152 | 61 | 96.6 | 97.7 | 71.4 | |
| United States | 19,708 | 18,571 | 1,137 | 18,966 | 18,225 | 7,188 | 3,271 | 7,766 | 680 | 61 | 742 | 346 | 396 | 94.2 | 96.1 | 46.6 | |
| All banks | 14,650 | 13,626 | 1,024 | 14,121 | 13,432 | 4,958 | 1,912 | 6,562 | 629 | 60 | 529 | 194 | 335 | 93.0 | 95.1 | 36.7 | |
| Unit banks | 13,246 | 12,298 | 948 | 12,330 | 12,171 | 4,591 | 1,691 | 5,889 | 600 | 59 | 416 | 127 | 239 | 92.8 | 94.9 | 30.5 | |
| Banks operating branches | 1,404 | 1,328 | 76 | 1,291 | 1,261 | 367 | 221 | 673 | 29 | 1 | 113 | 67 | 46 | 94.6 | 97.7 | 59.3 | |
| Branches | 5,058 | 4,945 | 113 | 4,845 | 4,793 | 2,230 | 1,359 | 1,204 | 51 | 1 | 213 | 152 | 61 | 97.8 | 98.9 | 71.4 | |
| Possessions | 143 | 53 | 90 | 143 | 53 | | | 53 | 85 | 5 | | | | 37.1 | 37.1 | | |
| All banks | 43 | 14 | 29 | 43 | 14 | | | 14 | 24 | 5 | | | | 32.6 | 32.6 | | |
| Unit banks | 33 | 8 | 25 | 33 | 8 | | | 8 | 20 | 6 | | | | 24.2 | 24.2 | | |
| Banks operating branches | 10 | 6 | 4 | 10 | 6 | | | 6 | 4 | | | | | 60.0 | 60.0 | | |
| Branches | 100 | 39 | 61 | 100 | 39 | | | 39 | 61 | | | | | 39.0 | 39.0 | | |
| State | | | | | | | | | | | | | | | | | |
| Alabama | 251 | 251 | | 251 | 251 | 95 | 24 | 132 | | | | | | 100.0 | 100.0 | | |
| All banks | 225 | 225 | | 225 | 225 | 70 | 23 | 132 | | | | | | 100.0 | 100.0 | | |
| Unit banks | 219 | 219 | | 219 | 219 | 65 | 22 | 132 | | | | | | 100.0 | 100.0 | | |
| Banks operating branches | 6 | 6 | | 6 | 6 | 5 | 1 | | | | | | | 100.0 | 100.0 | | |
| Branches | 26 | 26 | | 26 | 26 | 25 | 1 | | | | | | | 100.0 | 100.0 | | |
| Arizona | 67 | 65 | 2 | 67 | 65 | 40 | 6 | 19 | | 2 | | | | 97.0 | 97.0 | | |
| All banks | 11 | 10 | 1 | 11 | 10 | 3 | 2 | 5 | | 1 | | | | 90.9 | 90.9 | | |
| Unit banks | 4 | 4 | | 4 | 4 | 1 | 1 | 2 | | | | | | 100.0 | 100.0 | | |
| Banks operating branches | 7 | 6 | 1 | 7 | 6 | 2 | 1 | 3 | | 1 | | | | 85.7 | 85.7 | | |
| Branches | 56 | 55 | 1 | 56 | 55 | 37 | 4 | 14 | | 1 | | | | 98.2 | 98.2 | | |
| Arkansas | 251 | 241 | 10 | 251 | 241 | 54 | 16 | 171 | 9 | 1 | | | | 96.0 | 96.0 | | |
| All banks | 232 | 222 | 10 | 232 | 222 | 52 | 16 | 154 | 9 | 1 | | | | 95.7 | 95.7 | | |
| Unit banks | 215 | 205 | 10 | 215 | 205 | 50 | 16 | 139 | 9 | 1 | | | | 95.3 | 95.3 | | |
| Banks operating branches | 17 | 17 | | 17 | 17 | 2 | | 15 | | | | | | 100.0 | 100.0 | | |
| Branches | 19 | 19 | | 19 | 19 | 2 | | 17 | | | | | | 100.0 | 100.0 | | |

| | | | | | | | | | | | | | | | | |
|-----------------------------------|--------------|--------------|-----------|--------------|--------------|------------|------------|------------|-----------|----------|-----------|----------|-----------|--------------|--------------|------------|
| California | 1,181 | 1,169 | 12 | 1,181 | 1,169 | 869 | 180 | 120 | 3 | 9 | | | | 99.0 | 99.0 | |
| All banks | 202 | 191 | 11 | 202 | 191 | 93 | 27 | 71 | 2 | 9 | | | | 94.6 | 94.6 | |
| Unit banks | 156 | 146 | 10 | 156 | 146 | 77 | 16 | 53 | 1 | 9 | | | | 93.6 | 93.6 | |
| Banks operating branches | 46 | 45 | 1 | 46 | 45 | 16 | 11 | 18 | 1 | | | | | 97.8 | 97.8 | |
| Branches | 979 | 978 | 1 | 979 | 978 | 776 | 153 | 49 | 1 | | | | | 99.9 | 99.9 | |
| Colorado | 158 | 148 | 10 | 158 | 148 | 80 | 16 | 52 | 10 | | | | | 93.7 | 93.7 | |
| All banks | 154 | 144 | 10 | 154 | 144 | 77 | 16 | 51 | 10 | | | | | 93.5 | 93.5 | |
| Unit banks | 150 | 140 | 10 | 150 | 140 | 74 | 16 | 50 | 10 | | | | | 93.3 | 93.3 | |
| Banks operating branches | 4 | 4 | | 4 | 4 | | | 1 | | | | | | 100.0 | 100.0 | |
| Branches | 4 | 4 | | 4 | 4 | 3 | | 1 | | | | | | 100.0 | 100.0 | |
| Connecticut | 239 | 145 | 94 | 162 | 142 | 69 | 36 | 37 | 19 | 1 | 77 | 3 | 74 | 60.7 | 87.7 | 3.9 |
| All banks | 184 | 95 | 89 | 112 | 92 | 47 | 15 | 30 | 19 | 1 | 72 | 3 | 69 | 51.6 | 82.1 | 4.2 |
| Unit banks | 165 | 79 | 86 | 96 | 76 | 40 | 9 | 27 | 19 | 1 | 69 | 3 | 66 | 47.9 | 79.2 | 4.3 |
| Banks operating branches | 19 | 16 | 2 | 16 | 16 | 7 | 6 | 3 | | | 3 | | 3 | 84.2 | 100.0 | |
| Branches | 55 | 50 | 5 | 50 | 50 | 22 | 21 | 7 | | | 5 | | 5 | 90.9 | 100.0 | |
| Delaware | 61 | 56 | 5 | 58 | 56 | 13 | 12 | 31 | 2 | | 3 | | 3 | 91.8 | 96.6 | |
| All banks | 40 | 37 | 3 | 38 | 37 | 13 | 4 | 20 | 1 | | 2 | | 2 | 92.5 | 97.4 | |
| Unit banks | 31 | 30 | 1 | 30 | 30 | 13 | 1 | 16 | | | 1 | | 1 | 96.8 | 100.0 | |
| Banks operating branches | 7 | 7 | 2 | 7 | 7 | 1 | 3 | 4 | | | 1 | | 1 | 77.8 | 87.5 | |
| Branches | 21 | 19 | 2 | 20 | 19 | | 8 | 11 | 1 | | 1 | | 1 | 90.5 | 95.0 | |
| District of Columbia | 64 | 64 | | 64 | 64 | 33 | 17 | 14 | | | | | | 100.0 | 100.0 | |
| All banks | 19 | 19 | | 19 | 19 | 9 | 6 | 4 | | | | | | 100.0 | 100.0 | |
| Unit banks | 4 | 4 | | 4 | 4 | 1 | 2 | 1 | | | | | | 100.0 | 100.0 | |
| Banks operating branches | 15 | 15 | | 15 | 15 | 8 | 4 | 3 | | | | | | 100.0 | 100.0 | |
| Branches | 45 | 45 | | 45 | 45 | 24 | 11 | 10 | | | | | | 100.0 | 100.0 | |
| Florida | 205 | 201 | 4 | 205 | 201 | 66 | 12 | 123 | 2 | 2 | | | | 98.0 | 98.0 | |
| All banks | 199 | 195 | 4 | 199 | 195 | 62 | 12 | 121 | 2 | 2 | | | | 98.0 | 98.0 | |
| Unit banks | 193 | 189 | 4 | 193 | 189 | 58 | 12 | 119 | 2 | 2 | | | | 97.9 | 97.9 | |
| Banks operating branches | 6 | 6 | | 6 | 6 | 4 | | 2 | | | | | | 100.0 | 100.0 | |
| Branches | 6 | 6 | | 6 | 6 | 4 | 2 | | | | | | | 100.0 | 100.0 | |
| Georgia | 439 | 372 | 67 | 439 | 372 | 76 | 25 | 271 | 67 | | | | | 84.7 | 84.7 | |
| All banks | 397 | 331 | 66 | 397 | 331 | 51 | 15 | 265 | 66 | | | | | 83.4 | 83.4 | |
| Unit banks | 378 | 313 | 65 | 378 | 313 | 42 | 10 | 261 | 65 | | | | | 82.8 | 82.8 | |
| Banks operating branches | 19 | 18 | 1 | 19 | 18 | 9 | 5 | 4 | 1 | | | | | 94.7 | 94.7 | |
| Branches | 42 | 41 | 1 | 42 | 41 | 25 | 10 | 6 | 1 | | | | | 97.6 | 97.6 | |
| Idaho | 98 | 97 | 1 | 98 | 97 | 61 | 13 | 23 | 1 | | | | | 99.0 | 99.0 | |
| All banks | 43 | 42 | 1 | 43 | 42 | 13 | 11 | 18 | 1 | | | | | 97.7 | 97.7 | |
| Unit banks | 35 | 34 | 1 | 35 | 34 | 8 | 10 | 16 | 1 | | | | | 97.1 | 97.1 | |
| Banks operating branches | 8 | 8 | | 8 | 8 | 5 | 1 | 2 | | | | | | 100.0 | 100.0 | |
| Branches | 55 | 55 | | 55 | 55 | 48 | 2 | 5 | | | | | | 100.0 | 100.0 | |
| Illinois | 893 | 878 | 15 | 893 | 878 | 386 | 124 | 368 | 12 | 3 | | | | 98.3 | 98.3 | |
| All banks | 891 | 876 | 15 | 891 | 876 | 384 | 124 | 368 | 12 | 3 | | | | 98.3 | 98.3 | |
| Unit banks | 889 | 874 | 15 | 889 | 874 | 382 | 124 | 368 | 12 | 3 | | | | 98.3 | 98.3 | |
| Banks operating branches | 2 | 2 | | 2 | 2 | 2 | | | | | | | | 100.0 | 100.0 | |
| Branches | 2 | 2 | | 2 | 2 | 2 | | | | | | | | 100.0 | 100.0 | |

Table 102. NUMBER OF ALL OPERATING BANKS AND BRANCHES, DECEMBER 30, 1950—Continued
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE

| State and type of bank or office | All banks | | | Commercial and stock savings banks and nondeposit trust companies | | | | | | Mutual savings banks | | | Insured banks as percentages of— | | | |
|----------------------------------|------------|------------|-------------|---|----------------------|-------------------------|------------|--|--------------------------|---|-----------|---------------------------|----------------------------------|--------------|--------------------------|----------------------------|
| | Total | Insured | Non-insured | Total | Insured ¹ | | | Noninsured | | | Total | In- sured ² | Non- insured | All banks | Com- mercial banks | Mutual savings banks |
| | | | | | Total | Members F. R. System | | Not mem- bers F. R. System | Banks of de- posit | Non- depos- it trust com- panies | | | | | | |
| | | | | | | National | State | | | | | | | | | |
| Indiana | 599 | 586 | 13 | 595 | 583 | 160 | 132 | 291 | 10 | 2 | 4 | 3 | 1 | 97.8 | 98.0 | 75.0 |
| All banks..... | 490 | 478 | 12 | 486 | 475 | 125 | 112 | 238 | 9 | 2 | 4 | 3 | 1 | 97.6 | 97.7 | 75.0 |
| Unit banks..... | 432 | 421 | 11 | 438 | 418 | 111 | 107 | 200 | 8 | 2 | 4 | 3 | 1 | 97.5 | 97.7 | 75.0 |
| Banks operating branches..... | 58 | 57 | 1 | 58 | 57 | 14 | 5 | 38 | 1 | | | | | 98.3 | 98.3 | |
| Branches..... | 109 | 108 | 1 | 109 | 108 | 35 | 20 | 53 | 1 | | | | | 99.1 | 99.1 | |
| Iowa | 827 | 765 | 62 | 827 | 765 | 97 | 64 | 604 | 61 | 1 | | | | 92.5 | 92.5 | |
| All banks..... | 663 | 606 | 57 | 663 | 606 | 97 | 64 | 445 | 56 | 1 | | | | 91.4 | 91.4 | |
| Unit banks..... | 542 | 489 | 53 | 542 | 489 | 97 | 64 | 328 | 52 | 1 | | | | 90.2 | 90.2 | |
| Banks operating branches..... | 121 | 117 | 4 | 121 | 117 | | | 117 | 4 | | | | | 96.7 | 96.7 | |
| Branches..... | 164 | 159 | 5 | 164 | 159 | | | 159 | 5 | | | | | 97.0 | 97.0 | |
| Kansas | 612 | 466 | 146 | 612 | 466 | 174 | 41 | 251 | 146 | | | | | 76.1 | 76.1 | |
| All banks..... | 612 | 466 | 146 | 612 | 466 | 174 | 41 | 251 | 146 | | | | | 76.1 | 76.1 | |
| Unit banks..... | 612 | 466 | 146 | 612 | 466 | 174 | 41 | 251 | 146 | | | | | 76.1 | 76.1 | |
| Banks operating branches..... | | | | | | | | | | | | | | | | |
| Branches..... | | | | | | | | | | | | | | | | |
| Kentucky | 429 | 406 | 23 | 429 | 406 | 111 | 29 | 266 | 20 | 3 | | | | 94.6 | 94.6 | |
| All banks..... | 385 | 362 | 23 | 385 | 362 | 92 | 21 | 249 | 20 | 3 | | | | 94.0 | 94.0 | |
| Unit banks..... | 361 | 338 | 23 | 361 | 338 | 89 | 16 | 233 | 20 | 3 | | | | 93.6 | 93.6 | |
| Banks operating branches..... | 24 | 24 | | 24 | 24 | 3 | 5 | 16 | | | | | | 100.0 | 100.0 | |
| Branches..... | 44 | 44 | | 44 | 44 | 19 | 8 | 17 | | | | | | 100.0 | 100.0 | |
| Louisiana | 242 | 241 | 1 | 242 | 241 | 75 | 19 | 147 | 1 | | | | | 99.6 | 99.6 | |
| All banks..... | 165 | 164 | 1 | 165 | 164 | 36 | 11 | 117 | 1 | | | | | 99.4 | 99.4 | |
| Unit banks..... | 126 | 125 | 1 | 126 | 125 | 26 | 6 | 93 | 1 | | | | | 99.2 | 99.2 | |
| Banks operating branches..... | 39 | 39 | | 39 | 39 | 10 | 5 | 24 | | | | | | 100.0 | 100.0 | |
| Branches..... | 77 | 77 | | 77 | 77 | 39 | 8 | 30 | | | | | | 100.0 | 100.0 | |
| Maine | 168 | 121 | 47 | 134 | 115 | 40 | 34 | 41 | 19 | | 34 | 6 | 28 | 72.0 | 85.8 | 17.6 |
| All banks..... | 95 | 59 | 36 | 63 | 53 | 32 | 5 | 16 | 10 | | 32 | 6 | 26 | 62.1 | 84.1 | 18.8 |
| Unit banks..... | 69 | 41 | 28 | 39 | 35 | 27 | 1 | 7 | 4 | | 30 | 6 | 24 | 59.4 | 89.7 | 20.0 |
| Banks operating branches..... | 26 | 18 | 8 | 24 | 18 | 5 | 4 | 9 | 6 | | | | 2 | 69.2 | 79.0 | |
| Branches..... | 73 | 62 | 11 | 71 | 62 | 8 | 29 | 25 | 9 | | 2 | | 2 | 84.9 | 87.3 | |

| | | | | | | | | | | | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|----------|------------|-----------|------------|--------------|--------------|--------------|
| Maryland | 308 | 296 | 12 | 283 | 280 | 82 | 73 | 125 | 2 | 1 | 25 | 16 | 9 | 96.1 | 98.9 | 64.0 |
| All banks..... | 178 | 164 | 9 | 164 | 162 | 61 | 16 | 85 | 1 | 1 | 9 | 2 | 7 | 94.8 | 98.8 | 22.2 |
| Unit banks..... | 189 | 183 | 6 | 183 | 182 | 54 | 7 | 69 | 1 | 1 | 6 | 1 | 5 | 95.7 | 99.2 | 16.7 |
| Banks operating branches..... | 84 | 81 | 3 | 81 | 80 | 7 | 7 | 16 | 1 | 1 | 8 | 1 | 2 | 91.2 | 96.8 | 33.3 |
| Branches..... | 135 | 132 | 3 | 119 | 118 | 21 | 57 | 40 | 1 | 1 | 16 | 14 | 2 | 97.8 | 99.2 | 87.5 |
| Massachusetts | 595 | 349 | 246 | 359 | 349 | 209 | 91 | 49 | 10 | | 236 | | 236 | 58.7 | 97.2 | |
| All banks..... | 371 | 174 | 197 | 182 | 174 | 116 | 25 | 33 | 8 | | 189 | | 189 | 46.9 | 95.6 | |
| Unit banks..... | 284 | 124 | 160 | 181 | 124 | 94 | 8 | 22 | 7 | | 153 | | 153 | 43.7 | 94.7 | |
| Banks operating branches..... | 87 | 50 | 37 | 51 | 50 | 22 | 17 | 11 | 1 | | 36 | | 36 | 57.5 | 98.0 | |
| Branches..... | 224 | 175 | 49 | 177 | 175 | 93 | 66 | 16 | 2 | | 47 | | 47 | 78.1 | 98.9 | |
| Michigan | 681 | 647 | 34 | 681 | 647 | 163 | 251 | 233 | 27 | 7 | | | | 95.0 | 95.0 | |
| All banks..... | 442 | 414 | 28 | 442 | 414 | 78 | 159 | 183 | 21 | 7 | | | | 93.7 | 93.7 | |
| Unit banks..... | 378 | 352 | 26 | 378 | 352 | 66 | 139 | 147 | 19 | 7 | | | | 93.1 | 93.1 | |
| Banks operating branches..... | 64 | 62 | 2 | 64 | 62 | 12 | 14 | 36 | 2 | | | | | 96.9 | 96.9 | |
| Branches..... | 239 | 233 | 6 | 239 | 233 | 85 | 98 | 50 | 6 | | | | | 97.5 | 97.5 | |
| Minnesota | 687 | 668 | 19 | 686 | 667 | 184 | 28 | 455 | 17 | 2 | 1 | 1 | | 97.2 | 97.2 | 100.0 |
| All banks..... | 681 | 662 | 19 | 680 | 661 | 178 | 28 | 455 | 17 | 2 | 1 | 1 | | 97.2 | 97.2 | 100.0 |
| Unit banks..... | 679 | 660 | 19 | 678 | 659 | 176 | 28 | 455 | 17 | 2 | 1 | 1 | | 97.2 | 97.2 | 100.0 |
| Banks operating branches..... | 2 | 2 | | 2 | 2 | 2 | | | | | | | | 100.0 | 100.0 | |
| Branches..... | 6 | 6 | | 6 | 6 | 6 | | | | | | | | 100.0 | 100.0 | |
| Mississippi | 269 | 265 | 4 | 269 | 265 | 29 | 9 | 227 | 4 | | | | | 98.5 | 98.5 | |
| All banks..... | 201 | 197 | 4 | 201 | 197 | 24 | 7 | 166 | 4 | | | | | 98.0 | 98.0 | |
| Unit banks..... | 164 | 160 | 4 | 164 | 160 | 23 | 6 | 131 | 4 | | | | | 97.6 | 97.6 | |
| Banks operating branches..... | 37 | 37 | | 37 | 37 | 1 | 1 | 35 | | | | | | 100.0 | 100.0 | |
| Branches..... | 68 | 68 | | 68 | 68 | 5 | 2 | 61 | | | | | | 100.0 | 100.0 | |
| Missouri | 601 | 577 | 24 | 601 | 577 | 80 | 101 | 396 | 20 | 4 | | | | 96.0 | 96.0 | |
| All banks..... | 600 | 576 | 24 | 600 | 576 | 79 | 101 | 396 | 20 | 4 | | | | 96.0 | 96.0 | |
| Unit banks..... | 599 | 575 | 24 | 599 | 575 | 78 | 101 | 396 | 20 | 4 | | | | 96.0 | 96.0 | |
| Banks operating branches..... | 1 | 1 | | 1 | 1 | 1 | | | | | | | | 100.0 | 100.0 | |
| Branches..... | 1 | 1 | | 1 | 1 | 1 | | | | | | | | 100.0 | 100.0 | |
| Montana | 110 | 110 | | 110 | 110 | 39 | 45 | 26 | | | | | | 100.0 | 100.0 | |
| All banks..... | 110 | 110 | | 110 | 110 | 39 | 45 | 26 | | | | | | 100.0 | 100.0 | |
| Unit banks..... | 110 | 110 | | 110 | 110 | 39 | 45 | 26 | | | | | | 100.0 | 100.0 | |
| Banks operating branches..... | | | | | | | | | | | | | | 100.0 | 100.0 | |
| Branches..... | | | | | | | | | | | | | | 100.0 | 100.0 | |
| Nebraska | 420 | 369 | 51 | 420 | 369 | 126 | 17 | 226 | 44 | 7 | | | | 87.9 | 87.9 | |
| All banks..... | 418 | 367 | 51 | 418 | 367 | 124 | 17 | 226 | 44 | 7 | | | | 87.8 | 87.8 | |
| Unit banks..... | 416 | 365 | 51 | 416 | 365 | 122 | 17 | 226 | 44 | 7 | | | | 87.7 | 87.7 | |
| Banks operating branches..... | 2 | 2 | | 2 | 2 | 2 | | | | | | | | 100.0 | 100.0 | |
| Branches..... | 2 | 2 | | 2 | 2 | 2 | | | | | | | | 100.0 | 100.0 | |
| Nevada | 27 | 27 | | 27 | 27 | 19 | 5 | 3 | | | | | | 100.0 | 100.0 | |
| All banks..... | 8 | 8 | | 8 | 8 | 5 | 1 | 2 | | | | | | 100.0 | 100.0 | |
| Unit banks..... | 3 | 3 | | 3 | 3 | 2 | | 1 | | | | | | 100.0 | 100.0 | |
| Banks operating branches..... | 5 | 5 | | 5 | 5 | 3 | | 1 | | | | | | 100.0 | 100.0 | |
| Branches..... | 19 | 19 | | 19 | 19 | 14 | 4 | 1 | | | | | | 100.0 | 100.0 | |

Table 102. NUMBER OF ALL OPERATING BANKS AND BRANCHES, DECEMBER 30, 1950—Continued
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE

| State and type of bank or office | All banks | | | Commercial and stock savings banks and nondeposit trust companies | | | | | | Mutual savings banks | | | Insured banks as percentages of— | | | |
|----------------------------------|--------------|--------------|-------------|---|----------------------|----------------------|------------|----------------------------------|-----------------------|-------------------------------------|------------|----------------------|----------------------------------|--------------|--------------------------|----------------------------|
| | Total | Insured | Non-insured | Total | Insured ¹ | | | | Noninsured | | Total | Insured ² | Non-insured | All banks | Commer- cial banks | Mutual savings banks |
| | | | | | Total | Members F. R. System | | Not mem- bers F. R. System | Banks of de- posit | Non-deposit trust com- panies | | | | | | |
| | | | | | | National | State | | | | | | | | | |
| New Hampshire | 112 | 59 | 53 | 77 | 59 | 52 | 1 | 6 | 18 | | 35 | | 35 | 52.7 | 76.6 | |
| All banks | 109 | 58 | 51 | 75 | 58 | 51 | 1 | 6 | 17 | | 34 | | 34 | 53.2 | 77.3 | |
| Unit banks | 106 | 57 | 49 | 73 | 57 | 50 | 1 | 6 | 16 | | 33 | | 33 | 53.8 | 78.1 | |
| Banks operating branches | 3 | 1 | 2 | 2 | 1 | 1 | | | 1 | | 1 | | 1 | 33.3 | 50.0 | |
| Branches | 3 | 1 | 2 | 2 | 1 | 1 | | | 1 | | 1 | | 1 | 33.3 | 50.0 | |
| New Jersey | 521 | 517 | 4 | 489 | 485 | 276 | 149 | 60 | 1 | 3 | 32 | 32 | | 99.2 | 99.2 | 100.0 |
| All banks | 347 | 343 | 4 | 324 | 320 | 205 | 71 | 44 | 1 | 3 | 23 | 23 | | 98.8 | 98.8 | 100.0 |
| Unit banks | 232 | 278 | 4 | 264 | 260 | 177 | 47 | 36 | 1 | 3 | 18 | 18 | | 98.6 | 98.5 | 100.0 |
| Banks operating branches | 65 | 65 | | 60 | 60 | 28 | 24 | 8 | | | 5 | 5 | | 100.0 | 100.0 | 100.0 |
| Branches | 174 | 174 | | 165 | 165 | 71 | 78 | 16 | | | 9 | 9 | | 100.0 | 100.0 | 100.0 |
| New Mexico | 66 | 66 | | 66 | 66 | 28 | 9 | 29 | | | | | | 100.0 | 100.0 | |
| All banks | 51 | 51 | | 51 | 51 | 26 | 9 | 16 | | | | | | 100.0 | 100.0 | |
| Unit banks | 42 | 42 | | 42 | 42 | 24 | 9 | 9 | | | | | | 100.0 | 100.0 | |
| Banks operating branches | 9 | 9 | | 9 | 9 | 2 | 2 | 7 | | | | | | 100.0 | 100.0 | |
| Branches | 15 | 15 | | 15 | 15 | 2 | | 13 | | | | | | 100.0 | 100.0 | |
| New York | 1,642 | 1,632 | 10 | 1,417 | 1,407 | 597 | 680 | 130 | 10 | | 225 | 225 | | 99.4 | 99.3 | 100.0 |
| All banks | 759 | 752 | 7 | 629 | 622 | 376 | 171 | 75 | 7 | | 130 | 130 | | 99.1 | 98.9 | 100.0 |
| Unit banks | 536 | 531 | 5 | 510 | 505 | 324 | 124 | 57 | 5 | | 76 | 76 | | 99.1 | 99.0 | 100.0 |
| Banks operating branches | 173 | 171 | 2 | 110 | 117 | 53 | 47 | 18 | 2 | | 54 | 54 | | 98.8 | 98.3 | 100.0 |
| Branches | 833 | 880 | 3 | 788 | 785 | 221 | 509 | 55 | 3 | | 95 | 95 | | 99.7 | 99.6 | 100.0 |
| North Carolina | 443 | 440 | 3 | 443 | 440 | 69 | 31 | 340 | 3 | | | | | 99.3 | 99.3 | |
| All banks | 225 | 224 | 1 | 225 | 224 | 46 | 8 | 170 | 1 | | | | | 99.6 | 99.6 | |
| Unit banks | 162 | 162 | | 162 | 162 | 36 | 4 | 122 | | | | | | 100.0 | 100.0 | |
| Banks operating branches | 63 | 62 | 1 | 63 | 62 | 10 | 4 | 43 | | | | | | 98.4 | 98.4 | |
| Branches | 218 | 216 | 2 | 218 | 216 | 23 | 23 | 170 | 2 | | | | | 99.1 | 99.1 | |
| North Dakota | 172 | 167 | 5 | 172 | 167 | 41 | 2 | 124 | 5 | | | | | 97.1 | 97.1 | |
| All banks | 150 | 145 | 5 | 150 | 145 | 41 | 2 | 102 | 5 | | | | | 96.7 | 96.7 | |
| Unit banks | 135 | 130 | 5 | 135 | 130 | 47 | 2 | 87 | 5 | | | | | 96.3 | 96.3 | |
| Banks operating branches | 15 | 15 | | 15 | 15 | | | 15 | | | | | | 100.0 | 100.0 | |
| Branches | 22 | 22 | | 22 | 22 | | | 22 | | | | | | 100.0 | 100.0 | |

| | | | | | | | | | | | | | | |
|-------------------------------|-------|-------|----|-------|-------|-----|-----|-----|----|---|----|-------|-------|-------|
| Ohio | 888 | 879 | 9 | 885 | 876 | 306 | 311 | 259 | 9 | 3 | 3 | 99.0 | 99.0 | 100.0 |
| All banks..... | 662 | 653 | 9 | 659 | 650 | 241 | 181 | 228 | 9 | 3 | 3 | 93.6 | 98.6 | 100.0 |
| Unit banks..... | 605 | 596 | 9 | 602 | 593 | 223 | 163 | 207 | 9 | 3 | 3 | 98.5 | 98.5 | 100.0 |
| Banks operating branches..... | 57 | 57 | | 57 | 57 | 18 | 18 | 21 | | | | 100.0 | 100.0 | |
| Branches..... | 226 | 226 | | 226 | 226 | 65 | 130 | 31 | | | | 100.0 | 100.0 | |
| Oklahoma | 387 | 376 | 11 | 387 | 376 | 200 | 25 | 151 | 9 | 2 | | 97.2 | 97.2 | |
| All banks..... | 336 | 375 | 11 | 386 | 375 | 199 | 25 | 151 | 9 | 2 | | 97.2 | 97.2 | |
| Unit banks..... | 335 | 374 | 11 | 385 | 374 | 198 | 25 | 151 | 9 | 2 | | 97.1 | 97.1 | |
| Banks operating branches..... | 1 | 1 | | 1 | 1 | 1 | | | | | | 100.0 | 100.0 | |
| Branches..... | 1 | 1 | | 1 | 1 | 1 | | | | | | 100.0 | 100.0 | |
| Oregon | 173 | 171 | 2 | 172 | 170 | 108 | 12 | 50 | 1 | 1 | 1 | 98.8 | 98.8 | 100.0 |
| All banks..... | 71 | 69 | 2 | 70 | 68 | 20 | 10 | 38 | 1 | 1 | 1 | 97.2 | 97.1 | 100.0 |
| Unit banks..... | 57 | 55 | 2 | 56 | 54 | 17 | 9 | 28 | 1 | 1 | 1 | 96.5 | 96.4 | 100.0 |
| Banks operating branches..... | 14 | 14 | | 14 | 14 | 3 | 1 | 10 | | | | 100.0 | 100.0 | |
| Branches..... | 102 | 102 | | 102 | 102 | 88 | 2 | 12 | | | | 100.0 | 100.0 | |
| Pennsylvania | 1,190 | 1,169 | 21 | 1,164 | 1,143 | 748 | 153 | 242 | 19 | 2 | 26 | 98.2 | 98.2 | 100.0 |
| All banks..... | 978 | 961 | 17 | 971 | 954 | 627 | 108 | 219 | 15 | 2 | 7 | 98.3 | 98.2 | 100.0 |
| Unit banks..... | 910 | 896 | 14 | 907 | 893 | 593 | 95 | 205 | 12 | 2 | 3 | 98.5 | 98.5 | 100.0 |
| Banks operating branches..... | 68 | 65 | 3 | 64 | 61 | 34 | 13 | 14 | 3 | 4 | 4 | 95.6 | 95.3 | 100.0 |
| Branches..... | 212 | 208 | 4 | 193 | 189 | 121 | 45 | 23 | 4 | | 19 | 98.1 | 97.9 | 100.0 |
| Rhode Island | 90 | 64 | 26 | 76 | 59 | 22 | 24 | 13 | 16 | 1 | 14 | 71.1 | 77.6 | 35.7 |
| All banks..... | 24 | 14 | 10 | 16 | 12 | 7 | 2 | 3 | 3 | 1 | 8 | 58.3 | 75.0 | 25.0 |
| Unit banks..... | 11 | 5 | 6 | 5 | 4 | 4 | | | | 1 | 5 | 45.5 | 30.0 | 16.7 |
| Banks operating branches..... | 13 | 9 | 4 | 11 | 8 | 3 | 2 | 3 | 3 | 1 | 1 | 69.2 | 72.7 | 50.0 |
| Branches..... | 66 | 50 | 16 | 60 | 47 | 15 | 22 | 10 | 13 | | 6 | 75.8 | 78.3 | 50.0 |
| South Carolina | 197 | 180 | 17 | 197 | 180 | 58 | 9 | 113 | 17 | | | 91.4 | 91.4 | |
| All banks..... | 148 | 131 | 17 | 148 | 131 | 25 | 7 | 99 | 17 | | | 88.5 | 88.5 | |
| Unit banks..... | 131 | 114 | 17 | 131 | 114 | 20 | 5 | 89 | 17 | | | 87.0 | 87.0 | |
| Banks operating branches..... | 17 | 17 | | 17 | 17 | 5 | 2 | 10 | | | | 100.0 | 100.0 | |
| Branches..... | 49 | 49 | | 49 | 49 | 33 | 2 | 14 | | | | 100.0 | 100.0 | |
| South Dakota | 218 | 218 | | 218 | 218 | 56 | 27 | 135 | | | | 100.0 | 100.0 | |
| All banks..... | 169 | 169 | | 169 | 169 | 35 | 27 | 107 | | | | 100.0 | 100.0 | |
| Unit banks..... | 143 | 143 | | 143 | 143 | 31 | 27 | 85 | | | | 100.0 | 100.0 | |
| Banks operating branches..... | 26 | 26 | | 26 | 26 | 4 | | 22 | | | | 100.0 | 100.0 | |
| Branches..... | 49 | 49 | | 49 | 49 | 21 | | 28 | | | | 100.0 | 100.0 | |
| Tennessee | 395 | 387 | 8 | 395 | 387 | 123 | 22 | 242 | 5 | 3 | | 98.0 | 98.0 | |
| All banks..... | 297 | 289 | 8 | 297 | 289 | 72 | 10 | 207 | 5 | 3 | | 97.3 | 97.3 | |
| Unit banks..... | 264 | 256 | 8 | 264 | 256 | 61 | 9 | 186 | 5 | 3 | | 97.0 | 97.0 | |
| Banks operating branches..... | 33 | 33 | | 33 | 33 | 11 | 1 | 21 | | | | 100.0 | 100.0 | |
| Branches..... | 98 | 98 | | 98 | 98 | 51 | 12 | 35 | | | | 100.0 | 100.0 | |
| Texas | 920 | 873 | 47 | 920 | 873 | 454 | 136 | 283 | 47 | | | 94.9 | 94.9 | |
| All banks..... | 908 | 861 | 47 | 908 | 861 | 442 | 136 | 283 | 47 | | | 94.8 | 94.8 | |
| Unit banks..... | 895 | 848 | 47 | 895 | 848 | 429 | 136 | 283 | 47 | | | 94.7 | 94.7 | |
| Banks operating branches..... | 13 | 13 | | 13 | 13 | 13 | | | | | | 100.0 | 100.0 | |
| Branches..... | 12 | 12 | | 12 | 12 | 12 | | | | | | 100.0 | 100.0 | |

Table 102. NUMBER OF ALL OPERATING BANKS AND BRANCHES, DECEMBER 30, 1950—Continued
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE

| State and type of bank or office | All banks | | | Commercial and stock savings banks and nondeposit trust companies | | | | | | | Mutual savings banks | | | Insured banks as percentages of— | | |
|----------------------------------|-----------|---------|-------------|---|----------------------|----------------------|-------|--------------------------|------------------|-----------------------------|----------------------|-----------------------|-------------|----------------------------------|-------------------|----------------------|
| | Total | Insured | Non-insured | Total | Insured ¹ | | | | Noninsured | | Total | In-sured ² | Non-insured | All banks | Com-mercial banks | Mutual savings banks |
| | | | | | Total | Members F. R. System | | Not members F. R. System | Banks of deposit | Non-deposit trust companies | | | | | | |
| | | | | | | National | State | | | | | | | | | |
| Utah | 79 | 79 | ..... | 79 | 79 | 28 | 25 | 26 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| All banks..... | 55 | 55 | ..... | 55 | 55 | 11 | 20 | 24 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Unit banks..... | 49 | 49 | ..... | 49 | 49 | 9 | 18 | 22 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Banks operating branches..... | 6 | 6 | ..... | 6 | 6 | 2 | 2 | 2 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Branches..... | 24 | 24 | ..... | 24 | 24 | 17 | 5 | 2 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Vermont | 97 | 96 | 1 | 81 | 80 | 41 | 1 | 38 | ..... | 1 | 16 | 16 | 99.0 | 98.8 | 100.0 | ..... |
| All banks..... | 77 | 76 | 1 | 70 | 69 | 39 | 1 | 29 | ..... | 1 | 7 | 7 | 98.7 | 98.6 | 100.0 | ..... |
| Unit banks..... | 68 | 67 | 1 | 62 | 61 | 37 | 1 | 23 | ..... | 1 | 6 | 6 | 98.5 | 98.4 | 100.0 | ..... |
| Banks operating branches..... | 9 | 9 | ..... | 8 | 8 | 2 | ..... | 6 | ..... | ..... | 1 | 1 | 100.0 | 100.0 | 100.0 | ..... |
| Branches..... | 20 | 20 | ..... | 11 | 11 | 2 | ..... | 9 | ..... | ..... | 9 | 9 | 100.0 | 100.0 | 100.0 | ..... |
| Virginia | 427 | 427 | ..... | 427 | 427 | 176 | 89 | 162 | ..... | ..... | ..... | ..... | 100.0 | 100.0 | ..... | ..... |
| All banks..... | 313 | 313 | ..... | 313 | 313 | 132 | 71 | 110 | ..... | ..... | ..... | ..... | 100.0 | 100.0 | ..... | ..... |
| Unit banks..... | 259 | 259 | ..... | 259 | 259 | 112 | 61 | 86 | ..... | ..... | ..... | ..... | 100.0 | 100.0 | ..... | ..... |
| Banks operating branches..... | 54 | 54 | ..... | 54 | 54 | 20 | 10 | 24 | ..... | ..... | ..... | ..... | 100.0 | 100.0 | ..... | ..... |
| Branches..... | 114 | 114 | ..... | 114 | 114 | 44 | 18 | 52 | ..... | ..... | ..... | ..... | 100.0 | 100.0 | ..... | ..... |
| Washington | 268 | 265 | 3 | 262 | 259 | 166 | 21 | 72 | ..... | 3 | 6 | 6 | 98.9 | 98.9 | 100.0 | ..... |
| All banks..... | 121 | 118 | 3 | 118 | 115 | 36 | 16 | 63 | ..... | 3 | 3 | 3 | 97.5 | 97.5 | 100.0 | ..... |
| Unit banks..... | 106 | 103 | 3 | 104 | 101 | 23 | 14 | 59 | ..... | 3 | 2 | 2 | 97.2 | 97.1 | 100.0 | ..... |
| Banks operating branches..... | 15 | 15 | ..... | 14 | 14 | 8 | 2 | 4 | ..... | ..... | 1 | 1 | 100.0 | 100.0 | 100.0 | ..... |
| Branches..... | 147 | 147 | ..... | 144 | 144 | 130 | 5 | 9 | ..... | ..... | 3 | 3 | 100.0 | 100.0 | 100.0 | ..... |
| West Virginia | 180 | 176 | 4 | 180 | 176 | 74 | 34 | 68 | ..... | 4 | ..... | ..... | 97.8 | 97.8 | ..... | ..... |
| All banks..... | 180 | 176 | 4 | 180 | 176 | 74 | 34 | 68 | ..... | 4 | ..... | ..... | 97.8 | 97.8 | ..... | ..... |
| Unit banks..... | 180 | 176 | 4 | 180 | 176 | 74 | 34 | 68 | ..... | 4 | ..... | ..... | 97.8 | 97.8 | ..... | ..... |
| Banks operating branches..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Branches..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Wisconsin | 708 | 697 | 11 | 704 | 694 | 111 | 75 | 508 | ..... | 7 | 4 | 3 | 1 | 98.4 | 98.6 | 75.0 |
| All banks..... | 556 | 546 | 10 | 552 | 543 | 95 | 69 | 379 | ..... | 6 | 3 | 3 | 1 | 98.2 | 98.4 | 75.0 |
| Unit banks..... | 464 | 455 | 9 | 460 | 452 | 90 | 65 | 297 | ..... | 5 | 3 | 3 | 1 | 98.1 | 98.3 | 75.0 |
| Banks operating branches..... | 92 | 91 | 1 | 92 | 91 | 5 | 4 | 82 | ..... | 1 | ..... | ..... | ..... | 98.9 | 98.9 | ..... |
| Branches..... | 152 | 151 | 1 | 152 | 151 | 16 | 6 | 129 | ..... | 1 | ..... | ..... | ..... | 99.3 | 99.3 | ..... |

| | | | | | | | | | | | | | |
|--|----|----|----|----|----|----|----|----|---|--|--|-------|-------|
| Wyoming..... | 53 | 53 | 53 | 53 | 24 | 15 | 14 | | | | | 100.0 | 100.0 |
| All banks..... | 53 | 53 | 53 | 53 | 24 | 15 | 14 | | | | | 100.0 | 100.0 |
| Unit banks..... | 53 | 53 | 53 | 53 | 24 | 15 | 14 | | | | | 100.0 | 100.0 |
| Banks operating branches..... | | | | | | | | | | | | | |
| Branches..... | | | | | | | | | | | | | |
| Possessions | | | | | | | | | | | | | |
| Alaska ³ | 24 | 9 | 15 | 24 | 9 | | 9 | 15 | | | | 37.5 | 37.5 |
| All banks..... | 20 | 5 | 15 | 20 | 5 | | 5 | 15 | | | | 25.0 | 25.0 |
| Unit banks..... | 18 | 3 | 15 | 18 | 3 | | 3 | 15 | | | | 16.7 | 16.7 |
| Banks operating branches..... | 2 | 2 | 2 | 2 | 2 | | 2 | 2 | | | | 100.0 | 100.0 |
| Branches..... | 4 | 4 | 4 | 4 | 4 | | 4 | 4 | | | | 100.0 | 100.0 |
| American Samoa..... | 1 | | 1 | 1 | | | | 1 | | | | | |
| All banks..... | 1 | | 1 | 1 | | | | 1 | | | | | |
| Unit banks..... | 1 | | 1 | 1 | | | | 1 | | | | | |
| Banks operating branches..... | | | | | | | | | | | | | |
| Branches..... | | | | | | | | | | | | | |
| Guam (including Marianas Islands) ⁴ | 2 | | 2 | 2 | | | | 2 | | | | | |
| All banks..... | | | | | | | | | | | | | |
| Unit banks..... | | | | | | | | | | | | | |
| Banks operating branches..... | | | | | | | | | | | | | |
| Branches..... | 2 | | 2 | 2 | | | | 2 | | | | | |
| Hawaii ⁵ | 54 | 1 | 53 | 54 | 1 | | 1 | 48 | 5 | | | 1.9 | 1.9 |
| All banks..... | 9 | 1 | 8 | 9 | 1 | | 1 | 3 | 5 | | | 11.1 | 11.1 |
| Unit banks..... | 7 | 1 | 6 | 7 | 1 | | 1 | 1 | 5 | | | 14.3 | 14.3 |
| Banks operating branches..... | 2 | 2 | 2 | 2 | 2 | | 2 | 2 | 2 | | | | |
| Branches..... | 45 | | 45 | 45 | | | | 45 | | | | | |
| Panama Canal Zone ⁶ | 4 | | 4 | 4 | | | | 4 | | | | | |
| All banks..... | | | | | | | | | | | | | |
| Unit banks..... | | | | | | | | | | | | | |
| Banks operating branches..... | | | | | | | | | | | | | |
| Branches..... | 4 | | 4 | 4 | | | | 4 | | | | | |
| Puerto Rico ⁴ | 55 | 41 | 14 | 55 | 41 | | 41 | 14 | | | | 74.5 | 74.5 |
| All banks..... | 11 | 7 | 4 | 11 | 7 | | 7 | 4 | | | | 63.6 | 63.6 |
| Unit banks..... | 6 | 4 | 2 | 6 | 4 | | 4 | 2 | | | | 66.7 | 66.7 |
| Banks operating branches..... | 5 | 3 | 2 | 5 | 3 | | 3 | 2 | | | | 60.0 | 60.0 |
| Branches..... | 44 | 34 | 10 | 44 | 34 | | 34 | 10 | | | | 77.3 | 77.3 |
| Virgin Islands ⁶ | 3 | 2 | 1 | 3 | 2 | | 2 | 1 | | | | 66.7 | 66.7 |
| All banks..... | 2 | 1 | 1 | 2 | 1 | | 1 | 1 | | | | 50.0 | 50.0 |
| Unit banks..... | 1 | 1 | 1 | 1 | 1 | | 1 | 1 | | | | | |
| Banks operating branches..... | 1 | 1 | 1 | 1 | 1 | | 1 | 1 | | | | 100.0 | 100.0 |
| Branches..... | 1 | 1 | 1 | 1 | 1 | | 1 | 1 | | | | 100.0 | 100.0 |

¹ Includes 6 trust companies not engaged in deposit banking; 2 State banks members of the Federal Reserve System, 1 each in California and Massachusetts; and 4 State banks not members of the Federal Reserve System, 1 each in Florida, Missouri, Pennsylvania and Wisconsin.

² Includes 3 banks members of the Federal Reserve System: 1 in Indiana and 2 in Wisconsin.

³ Includes 5 national banks, 4 among insured banks not members of the Federal Reserve System, and 1 among noninsured banks.

⁴ Includes noninsured branches of insured banks in the United States: 1 in Guam, 1 in Marianas Islands, 4 in Panama Canal Zone, and 7 in Puerto Rico.

⁵ Includes, among noninsured banks, 1 national bank operating 20 branches.

⁶ Includes, among insured banks not members of the Federal Reserve System, 1 national bank operating 1 branch.

Back figures: See the Annual Report for 1949, pp. 128-135, and earlier reports.

Table 103. NUMBER AND DEPOSITS OF ALL OPERATING BANKS, DECEMBER 30, 1950
BANKS GROUPED ACCORDING TO INSURANCE STATUS AND BY DISTRICT AND STATE

| FDIC District and State | Number of banks | | | | | | | | Deposits (in thousands of dollars) | | | | | | | |
|---|------------------------|---|-------------------------------|-----------------------------|-----------|----------------------|------------|------------|------------------------------------|---|--------------------|------------------|----------------------|-------------------|------------------|--|
| | All banks ¹ | Commercial and stock savings banks and nondeposit trust companies | | | | Mutual savings banks | | | All banks | Commercial and stock savings banks and nondeposit trust companies | | | Mutual savings banks | | | |
| | | Total | In-sured ² | Noninsured | | Total | In-sured | Noninsured | | Total | Insured | Noninsured | Total | Insured | Noninsured | |
| | | | Banks of deposit ¹ | Non-deposit trust companies | | | | | | | | | | | | |
| United States and possessions... | 14,693 | 14,164 | 13,446 | 653 | 65 | 529 | 194 | 335 | 176,120,158 | 156,088,822 | 153,497,611 | 2,591,211 | 20,031,336 | 14,320,085 | 5,711,251 | |
| United States... | 14,650 | 14,121 | 13,432 | 629 | 60 | 529 | 194 | 335 | 175,296,191 | 155,264,855 | 153,288,465 | 1,976,390 | 20,031,336 | 14,320,085 | 5,711,251 | |
| Possessions..... | 43 | 43 | 14 | 24 | 5 | | | | 823,967 | 823,967 | 209,146 | 614,821 | | | | |
| FDIC District | | | | | | | | | | | | | | | | |
| District 1..... | 860 | 518 | 458 | 57 | 3 | 342 | 18 | 324 | 13,366,219 | 7,848,815 | 7,475,060 | 373,755 | 5,517,404 | 226,416 | 5,290,988 | |
| District 2 ³ | 1,159 | 1,004 | 987 | 14 | 3 | 155 | 153 | 2 | 50,768,659 | 38,416,786 | 37,782,149 | 634,637 | 12,351,373 | 12,264,051 | 87,322 | |
| District 3..... | 1,640 | 1,630 | 1,604 | 24 | 2 | 10 | 10 | | 19,988,508 | 18,668,708 | 18,595,851 | 72,857 | 1,319,800 | 1,319,800 | | |
| District 4..... | 1,058 | 1,049 | 1,025 | 23 | 1 | 9 | 2 | 7 | 8,770,835 | 8,368,603 | 8,232,281 | 136,322 | 402,232 | 82,731 | 319,501 | |
| District 5..... | 1,022 | 1,022 | 948 | 72 | 2 | | | | 5,876,093 | 5,876,093 | 5,844,584 | 31,509 | | | | |
| District 6..... | 1,514 | 1,514 | 1,449 | 54 | 11 | | | | 9,109,612 | 9,109,612 | 9,059,255 | 50,357 | | | | |
| District 7..... | 1,488 | 1,480 | 1,432 | 36 | 12 | 8 | 6 | 2 | 12,268,973 | 12,212,457 | 12,025,819 | 186,638 | 56,516 | 43,576 | 12,940 | |
| District 8..... | 1,554 | 1,554 | 1,482 | 68 | 4 | | | | 15,405,993 | 15,405,993 | 15,268,250 | 137,743 | | | | |
| District 9..... | 1,110 | 1,109 | 1,085 | 22 | 2 | 1 | 1 | | 4,749,163 | 4,581,971 | 4,467,963 | 114,008 | 167,192 | 167,192 | | |
| District 10..... | 1,623 | 1,623 | 1,405 | 209 | 9 | | | | 6,286,585 | 6,286,585 | 6,076,407 | 210,178 | | | | |
| District 11..... | 1,135 | 1,135 | 1,086 | 48 | 1 | | | | 10,137,619 | 10,137,619 | 10,047,579 | 90,040 | | | | |
| District 12 ⁴ | 530 | 526 | 485 | 26 | 15 | 4 | 4 | | 19,391,899 | 19,175,580 | 18,622,413 | 553,167 | 216,319 | 216,319 | | |
| State | | | | | | | | | | | | | | | | |
| Alabama..... | 225 | 225 | 225 | | | | | | 1,271,312 | 1,271,312 | 1,271,312 | | | | | |
| Arizona..... | 11 | 11 | 10 | | 1 | | | | 470,746 | 470,746 | 467,711 | 3,035 | | | | |
| Arkansas..... | 232 | 232 | 222 | 9 | 1 | | | | 847,093 | 847,093 | 843,400 | 3,693 | | | | |
| California..... | 202 | 202 | 191 | 2 | 9 | | | | 14,018,278 | 14,018,278 | 13,964,890 | 53,388 | | | | |
| Colorado..... | 154 | 154 | 144 | 10 | | | | | 1,216,378 | 1,216,378 | 1,209,166 | 7,212 | | | | |
| Connecticut..... | 184 | 112 | 92 | 19 | 1 | 72 | 3 | 69 | 3,047,612 | 1,711,251 | 1,633,534 | 77,717 | 1,336,361 | 39,499 | 1,296,862 | |
| Delaware..... | 40 | 38 | 37 | 1 | | 2 | | 2 | 623,149 | 535,327 | 533,001 | 2,326 | 87,822 | | 87,822 | |
| Dist. of Columbia..... | 19 | 19 | 19 | | | | | | 1,162,112 | 1,162,112 | 1,162,112 | | | | | |
| Florida..... | 199 | 199 | 195 | 2 | 2 | | | | 2,008,324 | 2,008,324 | 2,001,015 | 7,309 | | | | |
| Georgia..... | 397 | 397 | 331 | 66 | | | | | 1,779,546 | 1,779,546 | 1,763,259 | 16,287 | | | | |
| Idaho..... | 43 | 43 | 42 | 1 | | | | | 442,985 | 442,985 | 434,254 | 8,731 | | | | |
| Illinois..... | 891 | 891 | 876 | 12 | 3 | | | | 13,037,855 | 13,037,855 | 12,993,950 | 43,905 | | | | |
| Indiana..... | 490 | 486 | 475 | 9 | 2 | 4 | 3 | 1 | 3,322,273 | 3,278,969 | 3,259,665 | 19,304 | 43,304 | 30,719 | 12,585 | |
| Iowa..... | 663 | 663 | 606 | 56 | 1 | | | | 2,368,138 | 2,368,138 | 2,274,300 | 93,838 | | | | |
| Kansas..... | 612 | 612 | 466 | 146 | | | | | 1,687,499 | 1,687,499 | 1,530,457 | 157,042 | | | | |

| | | | | | | | | | | | | | | | | | | |
|---|-----|-----|-----|----|---|-----|-----|-----|------------|------------|------------|---------|------------|------------|--|--|-----------|--|
| Kentucky | 385 | 385 | 362 | 20 | 3 | | | | 1,617,182 | 1,617,182 | 1,597,708 | 19,474 | | | | | | |
| Louisiana | 165 | 165 | 164 | 1 | | | | | 1,835,437 | 1,835,437 | 1,834,634 | 803 | | | | | | |
| Maine | 95 | 63 | 53 | 10 | | 32 | 6 | 26 | 686,384 | 448,539 | 409,236 | 39,303 | 237,845 | 26,997 | | | 210,848 | |
| Maryland | 173 | 164 | 162 | 1 | 1 | 9 | 2 | 7 | 2,072,700 | 1,670,468 | 1,581,728 | 88,740 | 402,232 | 82,731 | | | 319,501 | |
| Massachusetts | 371 | 182 | 174 | 8 | | 189 | | 189 | 7,691,547 | 4,379,466 | 4,278,727 | 105,739 | 3,312,081 | | | | 3,312,081 | |
| Michigan | 442 | 442 | 414 | 21 | 7 | | | | 5,829,254 | 5,829,254 | 5,678,044 | 156,210 | | | | | | |
| Minnesota | 681 | 680 | 661 | 17 | 2 | 1 | 1 | | 3,099,199 | 2,932,007 | 2,918,708 | 13,299 | 167,192 | 167,192 | | | | |
| Mississippi | 201 | 201 | 197 | 4 | | | | | 816,911 | 816,911 | 808,998 | 7,913 | | | | | | |
| Missouri | 600 | 600 | 576 | 20 | 4 | | | | 4,584,006 | 4,584,006 | 4,562,644 | 21,362 | | | | | | |
| Montana | 110 | 110 | 110 | | | | | | 581,765 | 581,765 | 581,765 | | | | | | | |
| Nebraska | 418 | 418 | 367 | 44 | 7 | | | | 1,375,030 | 1,375,030 | 1,335,310 | 39,720 | | | | | | |
| Nevada | 8 | 8 | 8 | | | | | | 178,579 | 178,579 | 178,579 | | | | | | | |
| New Hampshire | 109 | 75 | 58 | 17 | | 34 | | 34 | 555,949 | 278,108 | 225,155 | 52,953 | 277,841 | | | | 277,841 | |
| New Jersey | 347 | 324 | 320 | 1 | 3 | 23 | 23 | | 5,454,936 | 4,855,706 | 4,849,973 | 5,733 | 599,230 | 599,230 | | | | |
| New Mexico | 51 | 51 | 51 | | | | | | 360,852 | 360,852 | 360,852 | | | | | | | |
| New York | 759 | 629 | 622 | 7 | | 130 | 130 | | 44,392,898 | 32,723,077 | 32,249,309 | 478,768 | 11,664,821 | 11,664,821 | | | | |
| North Carolina | 225 | 225 | 224 | 1 | | | | | 1,899,074 | 1,899,074 | 1,872,430 | 26,644 | | | | | | |
| North Dakota | 150 | 150 | 145 | 5 | | | | | 563,699 | 563,699 | 562,990 | 100,709 | | | | | | |
| Ohio | 662 | 659 | 650 | 9 | | 3 | 3 | | 8,082,933 | 7,840,002 | 7,829,853 | 10,149 | 242,931 | 242,931 | | | | |
| Oklahoma | 386 | 386 | 375 | 9 | 2 | | | | 1,736,190 | 1,736,190 | 1,729,986 | 6,204 | | | | | | |
| Oregon | 71 | 70 | 68 | 1 | 1 | 1 | 1 | | 1,436,308 | 1,419,620 | 1,412,079 | 7,541 | 16,688 | 16,688 | | | | |
| Pennsylvania | 978 | 971 | 954 | 15 | 2 | 7 | 7 | | 11,905,575 | 10,823,706 | 10,765,998 | 62,708 | 1,076,869 | 1,076,869 | | | | |
| Rhode Island | 24 | 16 | 12 | 3 | 1 | 8 | 2 | 6 | 1,044,003 | 776,588 | 678,545 | 98,043 | 267,415 | 74,059 | | | 193,356 | |
| South Carolina | 148 | 148 | 131 | 17 | | | | | 672,370 | 672,370 | 662,679 | 9,691 | | | | | | |
| South Dakota | 169 | 169 | 169 | | | | | | 504,500 | 504,500 | 504,500 | | | | | | | |
| Tennessee | 297 | 297 | 289 | 5 | 3 | | | | 2,061,331 | 2,061,331 | 2,055,503 | 5,828 | | | | | | |
| Texas | 908 | 908 | 861 | 47 | | | | | 7,470,584 | 7,470,584 | 7,334,382 | 86,202 | | | | | | |
| Utah | 55 | 55 | 55 | | | | | | 589,691 | 589,691 | 589,691 | | | | | | | |
| Vermont | 77 | 70 | 69 | | 1 | 7 | 7 | | 340,724 | 254,863 | 254,863 | | 85,861 | 85,861 | | | | |
| Virginia | 313 | 313 | 313 | | | | | | 2,014,777 | 2,014,777 | 2,014,777 | | | | | | | |
| Washington | 121 | 118 | 115 | 3 | | 3 | 3 | | 2,199,767 | 2,000,136 | 1,983,640 | 16,496 | 199,631 | 199,631 | | | | |
| West Virginia | 180 | 180 | 176 | 4 | | | | | 949,802 | 949,802 | 938,555 | 11,247 | | | | | | |
| Wisconsin | 556 | 552 | 543 | 6 | 3 | 4 | 3 | 1 | 3,117,446 | 3,104,234 | 3,093,110 | 11,124 | 13,212 | 12,857 | | | 355 | |
| Wyoming | 53 | 53 | 53 | | | | | | 271,488 | 271,488 | 271,488 | | | | | | | |
| Possession | | | | | | | | | | | | | | | | | | |
| Alaska | 20 | 20 | 5 | 15 | | | | | 84,822 | 84,822 | 46,974 | 37,848 | | | | | | |
| American Samoa | 1 | 1 | | 1 | | | | | 1,340 | 1,340 | | 1,340 | | | | | | |
| Guam and Marianas Islands ⁵ | | | | | | | | | 20,021 | 20,021 | | 20,021 | | | | | | |
| Hawaii | 9 | 9 | 1 | 3 | 5 | | | | 395,182 | 395,182 | 12,306 | 382,876 | | | | | | |
| Panama Canal Zone ⁶ | | | | | | | | | 24,926 | 24,926 | | 24,926 | | | | | | |
| Puerto Rico ⁵ | 11 | 11 | 7 | 4 | | | | | 293,233 | 293,233 | 145,586 | 147,647 | | | | | | |
| Virgin Islands | 2 | 2 | 1 | 1 | | | | | 4,443 | 4,443 | 4,280 | 163 | | | | | | |

¹ Includes 27 noninsured banks of deposit (1 in Colorado, 16 in Georgia, 3 in Iowa, 3 in Michigan, and 4 in Texas) for which deposits are not available.

² Includes 6 trust companies not engaged in deposit banking: 1 each in California, Florida, Massachusetts, Missouri, Pennsylvania, and Wisconsin.

³ Includes Puerto Rico and the Virgin Islands.

⁴ Includes Alaska, American Samoa, Guam, Hawaii, Marianas Islands, and the Panama Canal Zone.

⁵ Includes deposit data for the following noninsured branches of insured banks in the U. S.: 1 each in Guam and Marianas Islands; 4 in the Panama Canal Zone; and 7 in Puerto Rico. Data for these branches are not included in the figures for the States in which the parent banks are located.

Back figures: See the Annual Report for 1949, pp. 136-137, and earlier reports.

ASSETS AND LIABILITIES OF OPERATING BANKS

- Table 104. Assets and liabilities of all operating banks in the United States and possessions, June 30, 1950
Banks grouped according to insurance status and type of bank
- Table 105. Assets and liabilities of all operating banks in the United States and possessions, December 30, 1950
Banks grouped according to insurance status and type of bank
- Table 106. Assets and liabilities of all operating banks in the United States and possessions, December 30, 1950
Banks grouped by district and State
- Table 107. Assets and liabilities of operating insured banks, December 30, 1950, June 30, 1950, and December 31, 1949

The data in these tables relate to banks operating in the United States and possessions. Data for December 30, 1950, from the same tabulations for all operating banks in each State are given in the pamphlet published by the Corporation, "Report No. 34, Assets, Liabilities, and Capital Accounts, Capital and other Ratios, Commercial and Mutual Savings Banks, December 30, 1950." State data for June 30 and December 30, 1950, are published in the *Federal Reserve Bulletin*, November 1950, pp. 1496-97, and May 1951, pp. 530-31.

Statements of assets and liabilities are submitted by insured commercial banks upon either a cash or an accrual basis, depending upon the bank's method of bookkeeping. Assets reported represent aggregate book value, on the date of call, less valuation and premium reserves.

Assets and liabilities held in or administered by a savings, bond, insurance, real estate, foreign, or any other department of a bank, except a trust department, are consolidated with the respective assets and liabilities of the commercial department. "Deposits of individuals, partnerships, and corporations" include trust funds deposited by a trust department in a commercial or savings department. Other assets held in trust are not included in statements of assets and liabilities.

In the case of banks with one or more domestic branches, the assets and liabilities reported are consolidations of figures for the head office and all domestic branches. In the case of a bank with foreign branches, net amounts due from its own foreign branches are included in "Other assets", and net amounts due to its own foreign branches are included in "Other liabilities".

Since June 30, 1942, demand balances with and demand deposits due to banks in the United States, except private banks and American branches of foreign banks, exclude reciprocal interbank deposits. Reciprocal interbank deposits arise when two banks maintain deposit accounts with each other.

Beginning with June 30, 1948, individual loan items have been

reported gross instead of net of valuation reserves. Accordingly, reserves for losses on loans under the provisions of Mimeograph 6209 issued by the Bureau of Internal Revenue in December 1947 and other loan valuation reserves have been shown separately.

Instalment loans are ordinarily reported net if the instalment payments are applied directly to the reduction of the loan. Such loans are reported gross if, under contract, the payments do not immediately reduce the unpaid balances of the loan but are assigned or pledged to assure repayment at maturity.

Total deposits shown in these tables are not the same as the deposits upon which assessments paid to the Federal Deposit Insurance Corporation are based. The assessment base is slightly lower due to certain exclusions which are permitted and deductions which may be claimed.

Asset and liability data for noninsured banks are tabulated from reports pertaining to the individual banks. In a few cases these reports are not as detailed as those submitted by insured banks, and some of the items reported have been allocated to more detailed categories according to the distribution of asset and liability data for insured State banks not members of the Federal Reserve System or for other noninsured banks.

Sources of data

National banks and State banks in the District of Columbia not members of the Federal Reserve System: Office of the Comptroller of the Currency.

State banks members of the Federal Reserve System: Board of Governors of the Federal Reserve System.

Other insured banks: Federal Deposit Insurance Corporation.

Noninsured banks: State banking authorities; *Rand McNally Bankers Directory*; *Polk's Bankers Encyclopedia*; and reports from individual banks.

Table 104. ASSETS AND LIABILITIES OF ALL OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, JUNE 30, 1950
BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK
 (Amounts in thousands of dollars)

| Asset, liability, or capital account item | All banks | | | Commercial and stock savings banks and nondeposit trust companies | | | | Mutual savings banks | | |
|--|--------------------|--------------------|------------------|--|----------------------|------------------------|--|----------------------|-------------------|------------------|
| | Total | Insured | Non- insured | Total | Insured ¹ | Noninsured | | Total | Insured | Non- insured |
| | | | | | | Banks of deposit | Nondeposit trust com- panies ² | | | |
| Total assets..... | 180,036,910 | 170,364,182 | 9,672,728 | 157,785,135 | 154,700,864 | 2,893,454 | 190,817 | 22,251,775 | 15,663,318 | 6,588,457 |
| Cash, balances with other banks, and cash collection items—total..... | 34,254,197 | 33,564,852 | 689,345 | 33,422,706 | 32,905,533 | 468,444 | 48,729 | 831,491 | 659,319 | 172,172 |
| Currency and coin..... | 1,970,576 | 1,878,756 | 91,820 | 1,881,025 | 1,814,757 | 65,053 | 1,215 | 89,551 | 63,999 | 25,552 |
| Reserve with Federal Reserve banks (member banks)..... | 15,864,291 | 15,864,291 | ..... | 15,863,320 | 15,863,320 | ..... | ..... | 971 | 971 | ..... |
| Demand balances with banks in U. S..... | 9,198,311 | 8,666,557 | 531,754 | 8,741,073 | 8,339,957 | 354,868 | 46,248 | 457,238 | 326,600 | 130,638 |
| Other balances with banks in U. S..... | 297,049 | 234,373 | 12,676 | 43,804 | 37,694 | 6,110 | ..... | 253,245 | 246,679 | 6,566 |
| Balances with banks in foreign countries..... | 61,345 | 50,708 | 10,637 | 61,345 | 50,708 | 10,637 | ..... | ..... | ..... | ..... |
| Cash items in process of collection..... | 6,862,625 | 6,820,167 | 42,458 | 6,832,139 | 6,799,097 | 31,776 | 1,266 | 30,486 | 21,070 | 9,416 |
| Securities—total..... | 91,315,286 | 85,136,707 | 6,178,579 | 77,325,997 | 75,597,738 | 1,632,099 | 96,160 | 13,989,289 | 9,538,969 | 4,450,320 |
| U. S. Government obligations, direct and guaranteed..... | 77,609,287 | 72,553,872 | 5,055,415 | 66,039,937 | 64,609,100 | 1,369,592 | 61,245 | 11,569,350 | 7,944,772 | 3,624,578 |
| Obligations of States and subdivisions..... | 7,516,412 | 7,336,698 | 179,714 | 7,431,379 | 7,262,026 | 154,631 | 14,722 | 85,033 | 74,672 | 10,361 |
| Other bonds, notes, and debentures ³ | 5,655,676 | 4,918,436 | 737,240 | 3,485,373 | 3,408,633 | 70,472 | 6,268 | 2,170,303 | 1,509,803 | 660,500 |
| Corporate stocks..... | 533,911 | 327,701 | 206,210 | 369,308 | 317,979 | 37,404 | 13,925 | 164,603 | 9,722 | 154,881 |
| Loans and discounts, net—total..... | 52,310,789 | 49,667,066 | 2,643,723 | 45,107,916 | 44,379,303 | 700,897 | 27,716 | 7,202,873 | 5,287,763 | 1,915,110 |
| Valuation reserves ⁴ | 837,972 | 815,356 | 22,616 | 592,379 | 590,080 | 2,228 | 71 | 245,593 | 225,276 | 20,317 |
| Loans and discounts, gross—total..... | 53,148,761 | 50,482,422 | 2,666,339 | 45,700,295 | 44,969,383 | 703,125 | 27,787 | 7,448,466 | 5,513,039 | 1,935,427 |
| Commercial and industrial loans..... | 17,108,800 | 16,867,743 | 241,057 | 17,067,999 | 16,841,978 | 224,850 | 1,171 | 40,801 | 25,765 | 15,036 |
| Loans to farmers directly guaranteed by the Commodity Credit Corporation..... | 484,384 | 471,706 | 12,678 | 484,384 | 471,706 | 12,678 | ..... | ..... | ..... | ..... |
| Other loans to farmers (excluding loans on real estate)..... | 2,435,389 | 2,357,948 | 77,441 | 2,434,107 | 2,356,895 | 77,006 | 206 | 1,282 | 1,053 | 229 |
| Loans to brokers and dealers in securities..... | 1,871,554 | 1,856,277 | 15,277 | 1,871,554 | 1,856,277 | 15,252 | 25 | ..... | ..... | ..... |
| Other loans for carrying securities..... | 953,850 | 913,403 | 40,447 | 951,804 | 912,762 | 33,779 | 5,263 | 2,046 | 641 | 1,405 |
| Real estate loans: On farm land..... | 986,261 | 950,707 | 35,554 | 942,546 | 920,373 | 20,319 | 1,854 | 43,715 | 30,334 | 13,381 |
| On residential properties..... | 15,653,999 | 13,881,966 | 1,772,033 | 9,507,232 | 9,343,589 | 149,445 | 14,198 | 6,146,767 | 4,538,377 | 1,608,390 |
| On other properties..... | 3,206,828 | 2,906,192 | 300,636 | 2,069,273 | 2,027,721 | 39,589 | 1,963 | 1,137,555 | 878,471 | 259,084 |
| Other loans to individuals..... | 9,208,386 | 9,083,943 | 124,443 | 9,139,009 | 9,049,763 | 88,325 | 921 | 69,377 | 34,180 | 35,197 |
| Loans to banks..... | 102,601 | 102,473 | 128 | 102,601 | 102,473 | 128 | ..... | ..... | ..... | ..... |
| All other loans (including overdrafts)..... | 1,136,709 | 1,090,064 | 46,645 | 1,129,786 | 1,085,846 | 41,754 | 2,186 | 6,923 | 4,218 | 2,705 |
| Miscellaneous assets—total..... | 2,156,638 | 1,995,557 | 161,081 | 1,928,516 | 1,818,290 | 92,014 | 18,212 | 228,122 | 177,267 | 50,855 |
| Bank premises owned, furniture and fixtures..... | 1,198,372 | 1,152,039 | 46,333 | 1,092,747 | 1,071,120 | 16,286 | 5,341 | 105,625 | 80,919 | 24,706 |
| Other real estate—direct and indirect..... | 133,238 | 115,443 | 17,795 | 120,940 | 106,642 | 5,748 | 8,550 | 12,298 | 8,801 | 3,497 |
| All other miscellaneous assets..... | 825,028 | 728,075 | 96,953 | 714,829 | 640,528 | 69,980 | 4,321 | 110,199 | 87,547 | 22,652 |

| | | | | | | | | | | |
|---|--------------------|--------------------|------------------|--------------------|--------------------|------------------|----------------|-------------------|-------------------|------------------|
| Total liabilities and capital accounts | 180,036,910 | 170,364,182 | 9,672,728 | 157,785,135 | 154,700,864 | 2,893,454 | 190,817 | 22,251,775 | 15,663,318 | 6,588,457 |
| Deposits of individuals, partnerships, and corporations—total | 137,465,079 | 129,802,565 | 7,662,514 | 117,535,532 | 115,687,067 | 1,779,946 | 68,519 | 19,929,547 | 14,115,498 | 5,814,049 |
| Demand..... | 81,924,036 | 80,715,147 | 1,208,889 | 81,911,916 | 80,704,528 | 1,139,923 | 67,465 | 12,120 | 10,619 | 1,501 |
| Time..... | 55,541,043 | 49,087,418 | 6,453,625 | 35,623,616 | 34,982,539 | 640,023 | 1,054 | 19,917,427 | 14,104,879 | 5,812,548 |
| Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks | 2,176,864 | 2,154,068 | 22,796 | 2,172,598 | 2,149,878 | 22,581 | 139 | 4,266 | 4,190 | 76 |
| Government deposits—total | 13,454,611 | 13,085,762 | 368,849 | 13,445,543 | 13,077,827 | 367,674 | 42 | 9,068 | 7,935 | 1,133 |
| United States Government—demand..... | 3,687,557 | 3,596,643 | 90,914 | 3,685,629 | 3,595,216 | 90,407 | 6 | 1,928 | 1,427 | 501 |
| United States Government—time..... | 187,229 | 183,018 | 4,211 | 186,960 | 182,749 | 4,211 | ..... | 269 | 269 | ..... |
| States and subdivisions—demand..... | 8,120,732 | 7,946,204 | 174,528 | 8,118,606 | 7,944,081 | 174,489 | 36 | 2,126 | 2,123 | 3 |
| States and subdivisions—time..... | 1,459,093 | 1,359,897 | 99,196 | 1,454,348 | 1,355,781 | 98,567 | ..... | 4,745 | 4,116 | 629 |
| Interbank and postal savings deposits—total | 11,458,387 | 11,077,976 | 380,411 | 11,457,982 | 11,077,581 | 380,401 | ..... | 405 | 395 | 10 |
| Banks in the United States—demand..... | 9,739,722 | 9,579,247 | 160,475 | 9,739,693 | 9,579,218 | 160,475 | ..... | 29 | 29 | ..... |
| Banks in the United States—time..... | 218,477 | 31,317 | 187,160 | 218,101 | 30,951 | 187,150 | ..... | 376 | 366 | 10 |
| Banks in foreign countries—demand..... | 1,313,127 | 1,280,965 | 32,162 | 1,313,127 | 1,280,965 | 32,162 | ..... | ..... | ..... | ..... |
| Banks in foreign countries—time..... | 177,568 | 177,568 | ..... | 177,568 | 177,568 | ..... | ..... | ..... | ..... | ..... |
| Postal savings..... | 9,493 | 8,879 | 614 | 9,493 | 8,879 | 614 | ..... | ..... | ..... | ..... |
| Total deposits | 164,554,941 | 156,120,371 | 8,434,570 | 144,611,655 | 141,992,353 | 2,550,602 | 68,700 | 19,943,286 | 14,128,018 | 5,815,268 |
| Demand..... | 106,962,038 | 105,272,274 | 1,689,764 | 106,941,569 | 105,253,886 | 1,620,037 | 67,646 | 20,469 | 18,388 | 2,081 |
| Time..... | 57,592,903 | 50,848,097 | 6,744,806 | 37,670,086 | 36,738,467 | 930,565 | 1,054 | 19,922,817 | 14,109,630 | 5,813,187 |
| Miscellaneous liabilities—total | 1,828,703 | 1,698,870 | 129,833 | 1,708,734 | 1,630,100 | 54,430 | 24,204 | 119,969 | 68,770 | 51,199 |
| Rediscounts and other borrowed money..... | 46,135 | 36,778 | 9,357 | 46,117 | 36,778 | 6,771 | 2,568 | 18 | ..... | 18 |
| All other miscellaneous liabilities..... | 1,782,568 | 1,662,092 | 120,476 | 1,662,617 | 1,593,322 | 47,659 | 21,636 | 119,951 | 68,770 | 51,181 |
| Total liabilities (excluding capital accounts) | 166,383,644 | 157,819,241 | 8,564,403 | 146,320,389 | 143,622,453 | 2,605,032 | 92,904 | 20,063,255 | 14,196,788 | 5,866,467 |
| Capital accounts—total | 13,653,266 | 12,544,941 | 1,108,325 | 11,464,746 | 11,078,411 | 288,422 | 97,913 | 2,188,520 | 1,466,530 | 721,990 |
| Preferred capital..... | 113,824 | 92,069 | 21,755 | 108,278 | 86,523 | 21,605 | 150 | 5,546 | 5,546 | ..... |
| Common stock..... | 3,516,147 | 3,396,440 | 119,707 | 3,516,147 | 3,396,440 | 82,743 | 36,964 | ..... | ..... | ..... |
| Surplus..... | 6,603,861 | 6,072,132 | 531,729 | 5,126,679 | 4,985,564 | 108,465 | 32,650 | 1,477,182 | 1,086,568 | 390,614 |
| Undivided profits and reserves..... | 3,419,434 | 2,984,300 | 435,134 | 2,713,642 | 2,609,884 | 75,609 | 23,149 | 705,792 | 374,416 | 331,376 |
| Number of banks ⁵ | 14,717 | 13,641 | 1,076 | 14,187 | 13,449 | 673 | 65 | 530 | 192 | 338 |

¹ Includes 6 trust companies not engaged in deposit banking having total capital accounts of \$16,035,000 and total assets of \$17,444,000.

² Amounts shown as deposits are special accounts and uninvested trust funds, with the latter classified as demand deposits of individuals, partnerships, and corporations.

³ Includes obligations of United States Government corporations and agencies, not guaranteed by the United States Government.

⁴ Reserves for losses on loans authorized by the Bureau of Internal Revenue for income tax purposes and other valuation reserves.

⁵ Includes 28 noninsured banks of deposit for which asset and liability data are not available.

Back figures: See the Annual Report for 1949, pp. 140-141, and earlier reports.

Table 105. ASSETS AND LIABILITIES OF ALL OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER 30, 1950

BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK
(Amounts in thousands of dollars)

| Asset, liability, or capital account item | All banks | | | Commercial and stock savings banks and nondeposit trust companies | | | | Mutual savings banks | | |
|---|--------------------|--------------------|------------------|---|----------------------|------------------|---|----------------------|-------------------|------------------|
| | Total | Insured | Non-insured | Total | Insured ¹ | Noninsured | | Total | Insured | Non-insured |
| | | | | | | Banks of deposit | Nondeposit trust companies ² | | | |
| Total assets | 192,240,673 | 182,698,421 | 9,542,252 | 169,855,778 | 166,791,755 | 2,858,091 | 205,932 | 22,384,895 | 15,906,666 | 6,478,229 |
| Cash, balances with other banks, and cash collection items—total | 41,235,803 | 40,481,286 | 754,517 | 40,438,890 | 39,864,505 | 518,631 | 55,754 | 796,913 | 616,781 | 180,132 |
| Currency and coin..... | 2,343,064 | 2,245,253 | 97,811 | 2,232,510 | 2,164,712 | 66,299 | 1,499 | 110,554 | 80,541 | 30,013 |
| Reserve with Federal Reserve banks (member banks) | 17,459,016 | 17,459,016 | ..... | 17,458,039 | 17,458,039 | ..... | ..... | 977 | 977 | ..... |
| Demand balances with banks in U. S. | 11,379,362 | 10,794,765 | 584,597 | 10,889,938 | 10,442,367 | 394,151 | 53,420 | 489,424 | 352,398 | 137,026 |
| Other balances with banks in U. S. | 210,585 | 201,977 | 8,608 | 42,167 | 38,581 | 3,487 | 99 | 168,418 | 163,396 | 5,022 |
| Balances with banks in foreign countries..... | 159,009 | 142,293 | 16,716 | 159,009 | 142,293 | 16,716 | ..... | ..... | ..... | ..... |
| Cash items in process of collection..... | 9,684,767 | 9,637,982 | 46,785 | 9,657,227 | 9,618,513 | 37,978 | 736 | 27,540 | 19,469 | 8,071 |
| Securities—total | 88,004,762 | 82,212,902 | 5,791,860 | 74,795,406 | 73,197,950 | 1,493,543 | 103,913 | 13,209,356 | 9,014,952 | 4,194,404 |
| U. S. Government obligations, direct and guaranteed..... | 73,188,217 | 68,534,185 | 4,654,032 | 62,320,423 | 61,046,880 | 1,208,876 | 64,667 | 10,867,794 | 7,487,305 | 3,380,489 |
| Obligations of States and subdivisions..... | 8,249,124 | 8,039,590 | 209,534 | 8,160,880 | 7,958,929 | 183,691 | 18,260 | 88,244 | 80,661 | 7,583 |
| Other bonds, notes, and debentures ³ | 6,010,448 | 5,303,150 | 707,298 | 3,938,032 | 3,868,699 | 62,984 | 6,349 | 2,072,416 | 1,434,451 | 637,965 |
| Corporate stocks..... | 556,973 | 335,977 | 220,996 | 376,071 | 323,442 | 37,992 | 14,637 | 180,902 | 12,535 | 168,367 |
| Loans and discounts, net—total | 60,711,146 | 57,895,004 | 2,816,142 | 52,574,396 | 51,808,684 | 737,048 | 28,664 | 8,136,750 | 6,086,320 | 2,050,430 |
| Valuation reserves ⁴ | 927,047 | 901,944 | 25,103 | 675,251 | 672,986 | 2,222 | 43 | 251,796 | 228,958 | 22,838 |
| Loans and discounts, gross—total | 61,638,193 | 58,796,948 | 2,841,245 | 53,249,647 | 52,481,670 | 739,270 | 28,707 | 8,388,546 | 6,315,278 | 2,073,268 |
| Commercial and industrial loans..... | 22,067,761 | 21,833,514 | 234,247 | 22,037,687 | 21,808,262 | 227,376 | 2,148 | 29,975 | 25,252 | 4,723 |
| Loans to farmers directly guaranteed by the Commodity Credit Corporation..... | 381,962 | 366,984 | 14,978 | 381,962 | 366,984 | 14,978 | ..... | ..... | ..... | ..... |
| Other loans to farmers (excluding loans on real estate)..... | 2,544,703 | 2,467,578 | 77,125 | 2,543,371 | 2,466,476 | 76,723 | 172 | 1,332 | 1,102 | 230 |
| Loans to brokers and dealers in securities..... | 1,801,662 | 1,788,634 | 13,028 | 1,801,662 | 1,788,634 | 13,003 | 25 | ..... | ..... | ..... |
| Other loans for carrying securities..... | 1,079,965 | 1,036,636 | 43,329 | 1,078,914 | 1,036,186 | 37,059 | 4,769 | 1,951 | 450 | 1,501 |
| Real estate loans: | | | | | | | | | | |
| On farm land..... | 1,012,194 | 979,315 | 32,879 | 968,341 | 946,188 | 20,611 | 1,542 | 43,853 | 33,127 | 10,726 |
| On residential properties..... | 17,484,931 | 15,527,738 | 1,957,193 | 10,431,169 | 10,250,306 | 165,102 | 15,761 | 7,053,762 | 5,277,432 | 1,776,330 |
| On other properties..... | 3,427,902 | 3,145,352 | 282,550 | 2,264,040 | 2,219,326 | 43,240 | 1,474 | 1,163,862 | 926,026 | 237,836 |
| Other loans to individuals..... | 10,243,043 | 10,108,373 | 134,670 | 10,155,523 | 10,061,154 | 93,534 | 835 | 87,520 | 47,219 | 40,301 |
| Loans to banks..... | 90,167 | 90,033 | 134 | 90,167 | 90,033 | 134 | ..... | ..... | ..... | ..... |
| All other loans (including overdrafts)..... | 1,503,908 | 1,452,791 | 51,112 | 1,497,612 | 1,448,121 | 47,510 | 1,981 | 6,291 | 4,670 | 1,621 |
| Miscellaneous assets—total | 2,288,962 | 2,109,229 | 179,733 | 2,047,086 | 1,920,616 | 108,869 | 17,601 | 241,876 | 188,613 | 53,263 |
| Bank premises owned, furniture and fixtures..... | 1,241,035 | 1,193,824 | 47,211 | 1,130,904 | 1,108,923 | 16,633 | 5,348 | 110,131 | 84,901 | 25,230 |
| Other real estate—direct and indirect..... | 136,203 | 119,307 | 16,896 | 123,970 | 110,084 | 5,866 | 8,020 | 12,233 | 9,223 | 3,010 |
| All other miscellaneous assets..... | 911,724 | 796,098 | 115,626 | 792,212 | 701,609 | 86,370 | 4,233 | 119,512 | 94,489 | 25,023 |

| | | | | | | | | | | |
|---|--------------------|--------------------|------------------|--------------------|--------------------|------------------|----------------|-------------------|-------------------|------------------|
| Total liabilities and capital accounts | 192,240,673 | 182,698,421 | 9,542,252 | 169,855,778 | 166,791,755 | 2,858,091 | 205,932 | 22,384,895 | 15,906,666 | 6,478,229 |
| Deposits of individuals, partnerships, and corporations—total | 146,516,310 | 138,881,057 | 7,635,253 | 126,500,888 | 124,575,069 | 1,846,021 | 79,798 | 20,015,422 | 14,305,988 | 5,709,434 |
| Demand..... | 91,313,759 | 90,004,198 | 1,309,561 | 91,300,786 | 89,992,776 | 1,229,242 | 78,768 | 12,973 | 11,422 | 1,561 |
| Time..... | 55,202,551 | 48,876,859 | 6,325,692 | 35,200,102 | 34,582,293 | 616,779 | 1,030 | 20,002,449 | 14,294,566 | 5,707,883 |
| Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks | 2,938,481 | 2,908,960 | 29,521 | 2,933,714 | 2,904,687 | 28,959 | 68 | 4,767 | 4,273 | 494 |
| Government deposits—total | 12,604,431 | 12,271,185 | 333,246 | 12,593,768 | 12,261,835 | 331,833 | 100 | 10,663 | 9,350 | 1,313 |
| United States Government—demand..... | 2,871,578 | 2,795,933 | 75,645 | 2,868,992 | 2,794,060 | 74,928 | 4 | 2,586 | 1,873 | 713 |
| United States Government—time..... | 187,229 | 185,507 | 1,722 | 187,004 | 185,282 | 1,722 | | 225 | 225 | |
| States and subdivisions—demand..... | 8,082,174 | 7,917,149 | 165,025 | 8,080,919 | 7,915,894 | 164,929 | 96 | 1,255 | 1,255 | |
| States and subdivisions—time..... | 1,463,450 | 1,372,596 | 90,854 | 1,456,853 | 1,366,599 | 90,254 | | 6,597 | 5,997 | 600 |
| Interbank and postal savings deposits—total | 14,060,936 | 13,756,494 | 304,442 | 14,060,452 | 13,756,020 | 304,432 | | 484 | 474 | 10 |
| Banks in the United States—demand..... | 12,109,685 | 11,956,820 | 152,865 | 12,109,656 | 11,956,791 | 152,865 | | 29 | 29 | |
| Banks in the United States—time..... | 143,916 | 29,164 | 114,752 | 143,461 | 28,719 | 114,742 | | 455 | 445 | 10 |
| Banks in foreign countries—demand..... | 1,478,555 | 1,442,351 | 36,204 | 1,478,555 | 1,442,351 | 36,204 | | | | |
| Banks in foreign countries—time..... | 318,161 | 318,161 | | 318,161 | 318,161 | | | | | |
| Postal savings..... | 10,619 | 9,998 | 621 | 10,619 | 9,998 | 621 | | | | |
| Total deposits | 176,120,158 | 167,817,696 | 8,302,462 | 156,088,822 | 153,497,611 | 2,511,245 | 79,966 | 20,031,336 | 14,320,085 | 5,711,251 |
| <i>Demand</i> | <i>118,794,232</i> | <i>117,025,411</i> | <i>1,768,321</i> | <i>118,772,622</i> | <i>117,006,559</i> | <i>1,637,127</i> | <i>78,936</i> | <i>21,610</i> | <i>18,852</i> | <i>2,758</i> |
| <i>Time</i> | <i>57,325,926</i> | <i>50,792,285</i> | <i>6,533,641</i> | <i>37,316,200</i> | <i>36,491,052</i> | <i>824,118</i> | <i>1,030</i> | <i>20,009,726</i> | <i>14,301,233</i> | <i>5,708,493</i> |
| Miscellaneous liabilities—total | 2,204,650 | 2,086,850 | 117,800 | 2,098,321 | 2,013,282 | 58,357 | 26,682 | 106,329 | 73,568 | 32,761 |
| Rediscounts and other borrowed money..... | 94,607 | 87,072 | 7,535 | 94,587 | 87,072 | 6,003 | 1,512 | 20 | 20 | 20 |
| All other miscellaneous liabilities..... | 2,110,043 | 1,999,778 | 110,265 | 2,003,734 | 1,926,210 | 52,354 | 25,170 | 106,309 | 73,568 | 32,741 |
| Total liabilities (excluding capital accounts) | 178,324,808 | 169,904,546 | 8,420,262 | 158,187,143 | 155,510,893 | 2,569,602 | 106,648 | 20,137,665 | 14,393,653 | 5,744,012 |
| Capital accounts—total | 13,915,865 | 12,793,875 | 1,121,990 | 11,668,635 | 11,280,862 | 288,489 | 99,284 | 2,247,230 | 1,513,013 | 734,217 |
| Preferred capital..... | 109,448 | 87,693 | 21,755 | 104,005 | 82,250 | 21,605 | 150 | 5,443 | 5,443 | |
| Common stock..... | 3,560,801 | 3,435,833 | 124,968 | 3,560,801 | 3,435,833 | 87,754 | 37,214 | | | |
| Surplus..... | 6,854,212 | 6,323,990 | 530,222 | 5,337,457 | 5,200,481 | 103,582 | 33,394 | 1,516,755 | 1,123,509 | 393,246 |
| Undivided profits and reserves..... | 3,391,404 | 2,946,559 | 445,045 | 2,666,372 | 2,562,298 | 75,548 | 23,526 | 725,032 | 384,061 | 340,971 |
| Number of banks ⁵ | 14,693 | 13,640 | 1,053 | 14,164 | 13,446 | 653 | 65 | 529 | 194 | 335 |

¹ Includes 6 trust companies not engaged in deposit banking having total capital accounts of \$16,178,000 and total assets of \$17,589,000.

² Amounts shown as deposits are special accounts and uninvested trust funds, with the latter classified as demand deposits of individuals, partnerships, and corporations.

³ Includes obligations of United States Government corporations and agencies, not guaranteed by the United States Government.

⁴ Reserve for losses on loans authorized by the Bureau of Internal Revenue for income tax purposes and other valuation reserves.

⁵ Includes 27 noninsured banks of deposit for which asset and liability data are not available.

Back figures: See the preceding table and the Annual Report for 1949, pp. 142-143, and earlier reports.

Table 106. ASSETS AND LIABILITIES OF ALL OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER 30, 1950
BANKS GROUPED BY DISTRICT AND STATE
 (Amounts in thousands of dollars)

| District and State | Number of banks ¹ | Assets | | | | | Total | Liabilities and capital accounts | | | | |
|---|------------------------------|-------------------------|------------------------------|-------------------|----------------------------------|----------------------|--------------------|------------------------------------|-------------------------|-------------------------|---------------------------|------------------------|
| | | Cash and due from banks | U. S. Government obligations | Other securities | Loans, discounts, and overdrafts | Miscellaneous assets | | Deposits | | | Miscellaneous liabilities | Total capital accounts |
| | | | | | | | | Business and personal ² | Government ³ | Inter-bank ⁴ | | |
| United States and possessions..... | 14,693 | 41,235,803 | 73,188,217 | 14,816,545 | 60,711,146 | 2,288,962 | 192,240,673 | 149,454,791 | 12,604,431 | 14,060,936 | 2,204,650 | 13,915,865 |
| United States..... | 14,650 | 41,086,365 | 72,894,335 | 14,740,716 | 60,386,227 | 2,209,253 | 191,316,896 | 148,854,511 | 12,392,474 | 14,049,206 | 2,183,626 | 13,837,079 |
| Possessions..... | 43 | 149,438 | 293,882 | 75,829 | 324,919 | 79,709 | 923,777 | 600,280 | 211,957 | 11,730 | 21,024 | 78,786 |
| FDIC District | | | | | | | | | | | | |
| District 1..... | 860 | 2,032,813 | 6,442,632 | 1,311,829 | 4,934,238 | 177,167 | 14,898,679 | 12,316,922 | 611,956 | 437,341 | 132,323 | 1,400,137 |
| District 2 ⁵ | 1,159 | 10,994,782 | 21,143,701 | 4,226,966 | 19,490,996 | 819,690 | 56,676,135 | 43,645,100 | 2,045,400 | 5,078,159 | 1,162,254 | 4,745,222 |
| District 3..... | 1,640 | 4,453,401 | 8,746,823 | 2,304,148 | 6,117,324 | 258,710 | 21,880,406 | 17,655,376 | 1,283,796 | 1,049,336 | 136,753 | 1,755,145 |
| District 4..... | 1,058 | 2,256,374 | 3,703,998 | 614,704 | 2,822,649 | 123,515 | 9,521,240 | 7,331,249 | 754,793 | 684,793 | 72,570 | 677,835 |
| District 5..... | 1,022 | 1,702,827 | 2,181,789 | 466,608 | 1,897,294 | 74,925 | 6,323,443 | 4,687,306 | 681,075 | 507,712 | 41,706 | 405,644 |
| District 6..... | 1,514 | 2,707,010 | 3,136,187 | 599,185 | 3,258,706 | 80,743 | 9,781,831 | 6,996,168 | 749,155 | 1,364,289 | 53,727 | 618,492 |
| District 7..... | 1,488 | 2,824,466 | 5,781,531 | 932,566 | 3,440,977 | 110,342 | 13,089,882 | 10,743,582 | 1,035,393 | 489,998 | 71,525 | 749,384 |
| District 8..... | 1,554 | 3,970,704 | 6,919,388 | 1,298,145 | 4,212,580 | 112,091 | 16,512,908 | 12,728,843 | 1,185,274 | 1,491,876 | 102,756 | 1,004,159 |
| District 9..... | 1,110 | 1,106,321 | 2,053,746 | 403,370 | 1,487,699 | 37,407 | 5,088,543 | 3,899,489 | 463,604 | 386,070 | 29,038 | 310,342 |
| District 10..... | 1,623 | 1,873,815 | 2,444,640 | 465,707 | 1,902,971 | 43,280 | 6,730,413 | 4,979,550 | 763,023 | 544,012 | 23,837 | 419,991 |
| District 11..... | 1,135 | 3,353,372 | 3,353,350 | 602,963 | 3,345,987 | 140,969 | 10,796,641 | 7,680,996 | 1,151,270 | 1,305,353 | 64,097 | 594,925 |
| District 12 ⁶ | 530 | 3,959,918 | 7,280,432 | 1,590,354 | 7,799,725 | 310,123 | 20,940,552 | 16,790,210 | 1,879,692 | 721,997 | 314,064 | 1,234,589 |
| State | | | | | | | | | | | | |
| Alabama..... | 225 | 362,967 | 447,883 | 118,182 | 430,749 | 15,187 | 1,374,968 | 1,046,628 | 144,713 | 79,971 | 10,097 | 93,559 |
| Arizona..... | 11 | 99,122 | 159,081 | 33,432 | 202,782 | 9,164 | 503,581 | 412,181 | 51,499 | 7,066 | 5,686 | 27,149 |
| Arkansas..... | 232 | 290,765 | 336,881 | 72,931 | 203,066 | 5,328 | 908,971 | 694,823 | 82,039 | 70,231 | 2,006 | 59,872 |
| California..... | 202 | 2,739,683 | 5,277,673 | 1,156,529 | 5,808,630 | 210,724 | 15,193,239 | 12,162,266 | 1,321,872 | 534,140 | 281,622 | 893,339 |
| Colorado..... | 154 | 353,925 | 515,739 | 49,844 | 373,382 | 7,443 | 1,300,333 | 1,037,111 | 89,280 | 89,987 | 6,014 | 77,941 |
| Connecticut..... | 184 | 488,610 | 1,507,220 | 367,652 | 966,750 | 44,502 | 3,374,734 | 2,890,429 | 113,810 | 43,373 | 25,216 | 301,906 |
| Delaware..... | 40 | 114,454 | 230,654 | 101,033 | 191,984 | 6,842 | 694,967 | 556,711 | 61,969 | 4,469 | 4,071 | 67,747 |
| District of Columbia..... | 19 | 302,364 | 524,678 | 50,822 | 347,853 | 20,446 | 1,246,163 | 1,057,830 | 29,545 | 74,737 | 7,542 | 76,509 |
| Florida..... | 199 | 553,812 | 946,594 | 127,842 | 491,990 | 27,926 | 2,148,164 | 1,595,497 | 255,946 | 156,881 | 10,328 | 129,512 |
| Georgia..... | 397 | 537,950 | 517,475 | 98,035 | 749,780 | 23,631 | 1,926,871 | 1,405,354 | 166,542 | 207,650 | 17,772 | 129,553 |
| Idaho..... | 43 | 96,785 | 178,457 | 13,404 | 176,983 | 3,911 | 469,540 | 372,726 | 62,184 | 8,075 | 2,379 | 24,176 |
| Illinois..... | 891 | 3,390,627 | 6,004,034 | 1,086,466 | 3,400,936 | 97,220 | 13,979,283 | 10,767,038 | 917,963 | 1,352,854 | 98,961 | 842,467 |
| Indiana..... | 490 | 811,536 | 1,642,005 | 200,973 | 864,313 | 26,763 | 3,545,590 | 2,808,771 | 382,064 | 131,438 | 14,727 | 208,590 |
| Iowa..... | 663 | 580,077 | 915,354 | 211,679 | 811,644 | 14,871 | 2,533,625 | 1,961,805 | 267,311 | 139,022 | 3,795 | 161,692 |
| Kansas..... | 612 | 471,987 | 628,308 | 158,317 | 535,308 | 10,052 | 1,803,972 | 1,287,409 | 305,097 | 94,993 | 4,195 | 112,278 |

| | | | | | | | | | | | | |
|--|-------|-----------|------------|-----------|------------|---------|------------|------------|-----------|-----------|-----------|-----------|
| Kentucky | 385 | 468,099 | 635,928 | 77,004 | 555,873 | 12,252 | 1,749,156 | 1,322,221 | 131,919 | 163,042 | 7,995 | 123,979 |
| Louisiana | 165 | 552,875 | 713,838 | 170,404 | 488,397 | 24,214 | 1,949,728 | 1,303,541 | 299,843 | 232,053 | 12,768 | 101,523 |
| Maine | 95 | 102,530 | 343,725 | 83,067 | 234,699 | 7,209 | 771,230 | 546,538 | 31,676 | 8,170 | 4,051 | 80,795 |
| Maryland | 173 | 424,876 | 1,126,866 | 144,108 | 535,109 | 34,134 | 2,265,093 | 1,810,425 | 153,058 | 109,217 | 14,353 | 178,040 |
| Massachusetts | 371 | 1,174,601 | 3,720,520 | 674,037 | 2,915,300 | 100,142 | 8,584,600 | 6,954,358 | 374,199 | 362,990 | 84,962 | 808,091 |
| Michigan | 442 | 1,309,449 | 2,692,379 | 474,525 | 1,681,495 | 53,905 | 6,211,753 | 5,154,555 | 470,982 | 203,717 | 47,154 | 335,345 |
| Minnesota | 681 | 737,299 | 1,203,082 | 299,134 | 1,072,519 | 26,366 | 3,333,400 | 2,525,407 | 244,633 | 329,159 | 22,633 | 216,568 |
| Mississippi | 201 | 248,098 | 269,837 | 122,549 | 224,775 | 8,181 | 873,440 | 639,827 | 113,874 | 63,210 | 3,509 | 53,020 |
| Missouri | 600 | 1,359,339 | 1,531,704 | 306,673 | 1,673,607 | 38,795 | 4,910,118 | 3,430,395 | 342,661 | 810,950 | 29,830 | 296,282 |
| Montana | 110 | 152,775 | 281,179 | 30,007 | 142,830 | 4,250 | 611,041 | 489,063 | 60,053 | 32,649 | 2,414 | 26,862 |
| Nebraska | 418 | 392,317 | 563,298 | 98,622 | 403,858 | 8,874 | 1,466,969 | 1,109,368 | 97,495 | 168,167 | 4,024 | 87,915 |
| Nevada | 8 | 33,125 | 86,015 | 10,585 | 58,631 | 2,522 | 190,878 | 154,310 | 23,554 | 715 | 1,409 | 10,890 |
| New Hampshire | 109 | 72,530 | 250,121 | 65,225 | 236,025 | 4,668 | 628,569 | 525,726 | 22,914 | 7,309 | 1,825 | 70,795 |
| New Jersey | 347 | 942,841 | 2,612,912 | 638,210 | 1,627,651 | 77,815 | 5,899,429 | 4,977,314 | 416,450 | 61,172 | 35,618 | 408,875 |
| New Mexico | 51 | 119,587 | 129,044 | 12,446 | 118,276 | 3,344 | 382,697 | 286,579 | 60,620 | 13,653 | 893 | 20,952 |
| New York | 759 | 9,892,311 | 18,155,666 | 3,438,179 | 17,540,185 | 697,898 | 49,724,239 | 37,923,662 | 1,463,320 | 5,005,916 | 1,103,447 | 4,227,894 |
| North Carolina | 225 | 540,232 | 603,973 | 211,071 | 681,567 | 23,709 | 2,060,552 | 1,461,877 | 194,199 | 243,498 | 27,086 | 134,392 |
| North Dakota | 150 | 103,607 | 326,055 | 42,613 | 126,531 | 2,843 | 601,649 | 445,572 | 105,607 | 12,520 | 2,197 | 35,753 |
| Ohio | 662 | 1,877,179 | 3,524,747 | 671,372 | 2,504,369 | 86,743 | 8,664,410 | 7,075,597 | 650,692 | 356,644 | 53,882 | 527,595 |
| Oklahoma | 386 | 573,165 | 623,732 | 145,986 | 512,721 | 14,901 | 1,870,505 | 1,322,859 | 235,064 | 178,267 | 8,611 | 125,704 |
| Oregon | 71 | 322,304 | 536,903 | 131,914 | 523,040 | 22,064 | 1,536,225 | 1,257,995 | 137,341 | 40,972 | 10,417 | 89,500 |
| Pennsylvania | 978 | 2,576,222 | 5,222,076 | 1,632,776 | 3,612,955 | 171,967 | 13,215,996 | 10,579,779 | 633,104 | 692,692 | 82,871 | 1,227,550 |
| Rhode Island | 24 | 145,422 | 514,944 | 96,304 | 384,611 | 16,747 | 1,158,028 | 974,329 | 55,843 | 13,831 | 14,044 | 99,981 |
| South Carolina | 148 | 200,223 | 258,008 | 58,110 | 198,689 | 5,923 | 721,133 | 572,552 | 76,496 | 23,322 | 4,213 | 44,550 |
| South Dakota | 169 | 112,640 | 243,430 | 31,616 | 145,819 | 3,948 | 537,453 | 439,447 | 53,311 | 11,742 | 1,794 | 31,159 |
| Tennessee | 297 | 588,807 | 631,674 | 142,577 | 826,160 | 24,368 | 2,213,586 | 1,548,729 | 192,536 | 320,066 | 13,896 | 138,359 |
| Texas | 908 | 2,581,788 | 2,351,387 | 386,681 | 2,536,532 | 104,247 | 7,960,635 | 5,678,695 | 739,308 | 1,052,581 | 44,750 | 445,301 |
| Utah | 55 | 152,748 | 211,590 | 28,186 | 234,380 | 5,296 | 632,200 | 477,533 | 62,966 | 49,192 | 4,206 | 38,303 |
| Vermont | 77 | 49,120 | 106,102 | 25,544 | 196,853 | 3,899 | 381,518 | 325,542 | 13,514 | 1,668 | 2,225 | 38,569 |
| Virginia | 313 | 533,922 | 755,253 | 104,049 | 767,853 | 27,689 | 2,188,766 | 1,636,505 | 188,019 | 190,253 | 15,090 | 158,899 |
| Washington | 121 | 511,011 | 790,381 | 223,451 | 804,318 | 23,032 | 2,352,193 | 1,952,513 | 163,479 | 83,775 | 12,125 | 140,301 |
| West Virginia | 180 | 254,757 | 435,220 | 46,544 | 291,938 | 11,614 | 1,039,533 | 792,560 | 113,476 | 43,766 | 4,286 | 85,445 |
| Wisconsin | 556 | 703,481 | 1,447,147 | 257,068 | 895,169 | 29,674 | 3,332,539 | 2,780,256 | 182,347 | 154,843 | 9,644 | 205,449 |
| Wyoming | 53 | 82,421 | 113,563 | 12,938 | 77,702 | 2,010 | 288,634 | 222,803 | 36,087 | 12,598 | 993 | 16,153 |
| Possession | | | | | | | | | | | | |
| Alaska | 20 | 25,928 | 36,033 | 3,175 | 24,686 | 879 | 90,701 | 65,097 | 18,321 | 1,404 | 107 | 5,772 |
| American Samoa | 1 | 325 | 1,119 | ..... | 25 | 10 | 1,479 | 1,008 | 295 | 37 | ..... | 139 |
| Guam and Marianas Islands ¹ | ..... | 1,307 | ..... | ..... | 1,433 | 17,302 | 20,042 | 12,341 | 7,680 | ..... | 21 | ..... |
| Hawaii | 9 | 73,468 | 158,476 | 23,110 | 166,702 | 7,370 | 429,126 | 321,239 | 70,328 | 3,615 | 1,775 | 32,169 |
| Panama Canal Zone ² | ..... | 3,234 | 3,785 | ..... | 897 | 17,013 | 24,929 | 13,182 | 11,672 | 72 | 3 | ..... |
| Puerto Rico ³ | 11 | 44,399 | 91,901 | 49,358 | 129,858 | 37,070 | 352,586 | 184,025 | 102,612 | 6,596 | 19,080 | 40,273 |
| Virgin Islands | 2 | 777 | 2,568 | 186 | 1,318 | 65 | 4,914 | 3,888 | 1,049 | 6 | 38 | 433 |

¹ Includes 27 noninsured banks of deposit (1 in Colorado, 16 in Georgia, 3 in Iowa, 3 in Michigan, and 4 in Texas) for which asset, liability, and capital account data are not available.

² Demand and time deposits of individuals, partnerships, and corporations, certified and officers' checks, cash letters of credit, etc.

³ Deposits of the United States Government and of States and political subdivisions.

⁴ Interbank deposits and postal savings deposits.

⁵ Includes Puerto Rico and the Virgin Islands.

⁶ Includes Alaska, American Samoa, Guam, Hawaii, Marianas Islands, and the Panama Canal Zone.

⁷ Includes asset, liability, and capital account data for the following noninsured branches of insured banks in the U. S.: 1 each in Guam and Marianas Islands; 4 in the Panama Canal Zone; and 7 in Puerto Rico. Data for these branches are not included in the figures for the States in which the parent banks are located.

Back figures: See the Annual Report for 1949, pp. 144-145, and earlier reports.

Table 107. ASSETS AND LIABILITIES OF OPERATING INSURED BANKS, DECEMBER 30, 1950, JUNE 30, 1950, AND DECEMBER 31, 1949
(Amounts in thousands of dollars)

| Assets | All insured banks | | | Insured commercial banks ¹ | | | Insured mutual savings banks | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|--------------------|--------------------|------------------------------|-------------------|-------------------|
| | Dec. 30, 1950 | June 30, 1950 | Dec. 31, 1949 | Dec. 30, 1950 | June 30, 1950 | Dec. 31, 1949 | Dec. 30, 1950 | June 30, 1950 | Dec. 31, 1949 |
| Total assets | 182,698,421 | 170,364,182 | 170,378,776 | 166,791,755 | 154,700,864 | 155,318,889 | 15,906,666 | 15,663,318 | 15,059,887 |
| Cash, balances with other banks, and cash collection items—total | 40,481,286 | 33,564,852 | 35,904,132 | 39,864,505 | 32,905,533 | 35,222,106 | 616,781 | 659,319 | 682,026 |
| Currency and coin..... | 2,245,253 | 1,878,756 | 2,067,673 | 2,164,712 | 1,814,757 | 1,987,821 | 80,541 | 63,999 | 79,852 |
| Reserve with Federal Reserve banks (member banks) | 17,459,016 | 15,864,291 | 16,428,505 | 17,458,039 | 15,863,320 | 16,427,544 | 977 | 971 | 961 |
| Demand balances with banks in the United States (except private banks and American branches of foreign banks) | 10,794,765 | 8,666,557 | 9,806,738 | 10,442,367 | 8,339,957 | 9,438,657 | 352,398 | 326,600 | 368,081 |
| Other balances with banks in the United States..... | 201,977 | 284,373 | 254,070 | 38,581 | 37,694 | 37,906 | 163,396 | 246,679 | 216,164 |
| Balances with banks in foreign countries..... | 142,293 | 50,708 | 41,713 | 142,293 | 50,708 | 41,713 | ..... | ..... | ..... |
| Cash items in process of collection..... | 9,637,982 | 6,820,167 | 7,305,433 | 9,618,513 | 6,799,097 | 7,288,465 | 19,469 | 21,070 | 16,968 |
| Obligations of the U. S. Government, direct and guaranteed—total | 68,534,185 | 72,553,872 | 73,679,157 | 61,046,880 | 64,609,100 | 65,847,210 | 7,487,305 | 7,944,772 | 7,831,947 |
| Direct: | | | | | | | | | |
| Treasury bills..... | 4,151,784 | 3,872,642 | 3,703,170 | 4,121,692 | 3,849,123 | 3,691,818 | 30,092 | 23,519 | 11,352 |
| Treasury certificates of indebtedness..... | 1,939,816 | 6,143,956 | 12,560,194 | 1,936,936 | 6,116,160 | 12,488,302 | 2,880 | 27,796 | 71,892 |
| Treasury notes..... | 16,864,878 | 11,705,636 | 5,883,832 | 16,774,383 | 11,598,631 | 5,811,425 | 90,495 | 107,005 | 72,407 |
| United States non-marketable bonds ² | 2,645,898 | 2,196,250 | 2,291,309 | 2,330,550 | 1,907,947 | 2,009,216 | 315,348 | 288,303 | 282,093 |
| Other bonds maturing in 5 years or less..... | 22,925,694 | 28,027,996 | 27,895,168 | 22,594,053 | 27,509,284 | 27,278,311 | 331,641 | 518,712 | 616,857 |
| Other bonds maturing in 5 to 10 years..... | 7,798,588 | 8,185,163 | 7,825,481 | 7,737,024 | 8,107,085 | 7,691,960 | 61,564 | 78,078 | 133,521 |
| Other bonds maturing in 10 to 20 years..... | 7,486,490 | 7,457,636 | 6,532,235 | 2,986,472 | 2,995,272 | 4,461,014 | 4,500,018 | 4,462,364 | 4,071,221 |
| Bonds maturing after 20 years..... | 4,708,384 | 4,966,627 | 4,980,649 | 2,554,454 | 2,518,077 | 2,408,949 | 2,154,430 | 2,438,550 | 2,571,700 |
| Guaranteed obligations (FHA debentures)..... | 12,153 | 7,966 | 7,119 | 11,316 | 7,521 | 6,215 | 837 | 445 | 904 |
| Other securities—total | 13,678,717 | 12,582,835 | 11,539,392 | 12,151,070 | 10,988,638 | 9,977,012 | 1,527,647 | 1,594,197 | 1,562,330 |
| Obligations of States and subdivisions..... | 8,039,590 | 7,336,698 | 6,478,189 | 7,958,929 | 7,262,026 | 6,402,782 | 80,661 | 74,672 | 75,407 |
| Other bonds, notes, and debentures ³ | 5,309,150 | 4,918,436 | 4,738,594 | 3,868,639 | 3,408,633 | 3,261,461 | 1,434,451 | 1,509,803 | 1,477,133 |
| Corporate stocks: | | | | | | | | | |
| Federal Reserve banks..... | 224,773 | 218,869 | 210,878 | 224,723 | 218,821 | 210,829 | 50 | 48 | 49 |
| Other corporate stocks..... | 111,204 | 108,832 | 111,731 | 98,719 | 99,158 | 101,940 | 12,485 | 9,674 | 9,791 |
| Total securities | 82,212,902 | 85,136,707 | 85,218,549 | 73,197,950 | 75,597,738 | 75,824,222 | 9,014,952 | 9,538,969 | 9,394,327 |

| | | | | | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|
| Loans and discounts, net—total | 57,895,004 | 49,667,066 | 47,312,970 | 51,808,684 | 44,379,303 | 42,498,666 | 6,086,320 | 5,287,763 | 4,814,304 |
| Valuation reserves ⁴ | 901,944 | 815,356 | 766,442 | 672,986 | 590,080 | 548,034 | 228,958 | 225,276 | 218,408 |
| Loans and discounts, gross—total | 58,796,948 | 50,482,422 | 48,079,412 | 52,481,670 | 44,969,383 | 43,046,700 | 6,315,278 | 5,513,039 | 5,032,712 |
| Commercial and industrial loans (including open market paper)..... | 21,833,514 | 16,867,743 | 16,959,727 | 21,808,262 | 16,841,978 | 16,939,200 | 25,252 | 25,765 | 20,527 |
| Loans to farmers directly guaranteed by the Commodity Credit Corporation..... | 366,984 | 471,706 | 975,832 | 366,984 | 471,706 | 975,832 | | | |
| Other loans to farmers (excluding loans on real estate)..... | 2,467,578 | 2,357,948 | 1,988,281 | 2,466,476 | 2,356,895 | 1,987,290 | 1,102 | 1,053 | 1,001 |
| Loans to brokers and dealers in securities..... | 1,788,634 | 1,856,277 | 1,748,606 | 1,788,634 | 1,856,277 | 1,748,606 | | | |
| Other loans for the purpose of purchasing or carrying securities..... | 1,036,636 | 913,403 | 855,388 | 1,036,186 | 912,762 | 854,781 | 450 | 641 | 607 |
| Real estate loans: | | | | | | | | | |
| On farm land..... | 979,315 | 950,707 | 914,354 | 946,188 | 920,373 | 885,617 | 33,127 | 30,334 | 28,737 |
| On residential properties..... | 15,527,738 | 13,881,966 | 12,576,193 | 10,250,306 | 9,343,589 | 8,513,089 | 5,277,432 | 4,538,377 | 4,063,104 |
| On other properties..... | 3,145,352 | 2,906,192 | 2,895,101 | 2,219,326 | 2,027,721 | 2,014,215 | 926,026 | 878,471 | 880,886 |
| Other loans to individuals..... | 10,108,373 | 9,083,943 | 8,039,973 | 10,061,154 | 9,049,763 | 8,007,054 | 47,219 | 34,180 | 32,919 |
| Loans to banks..... | 90,033 | 102,473 | 97,913 | 90,033 | 102,473 | 97,913 | | | |
| All other loans (including overdrafts)..... | 1,452,791 | 1,090,064 | 1,028,044 | 1,448,121 | 1,085,846 | 1,023,113 | 4,670 | 4,218 | 4,931 |
| Total loans and securities | 140,107,906 | 134,803,773 | 132,531,519 | 125,006,634 | 119,977,041 | 118,322,888 | 15,101,272 | 14,826,732 | 14,208,631 |
| Bank premises, furniture and fixtures, and other real estate—total | 1,313,131 | 1,267,482 | 1,225,098 | 1,219,007 | 1,177,762 | 1,139,375 | 94,124 | 89,720 | 85,723 |
| Bank premises..... | 996,946 | 970,642 | 954,554 | 914,362 | 891,830 | 877,732 | 82,584 | 78,312 | 76,822 |
| Furniture and fixtures..... | 196,878 | 181,397 | 170,195 | 194,561 | 179,290 | 168,419 | 2,317 | 2,107 | 1,776 |
| Real estate owned other than bank premises..... | 23,123 | 24,052 | 21,690 | 20,155 | 20,545 | 18,314 | 2,968 | 3,507 | 3,376 |
| Investments and other assets indirectly representing bank premises or other real estate..... | 96,184 | 91,391 | 78,659 | 89,929 | 86,097 | 74,910 | 6,255 | 5,294 | 3,749 |
| Miscellaneous assets—total | 796,098 | 728,075 | 718,027 | 701,609 | 640,528 | 634,520 | 94,489 | 87,547 | 83,507 |
| Customers' liability on acceptances outstanding..... | 217,165 | 174,985 | 170,705 | 217,165 | 174,985 | 170,705 | | | |
| Income accrued but not collected..... | 330,515 | 330,906 | 323,308 | 277,022 | 280,931 | 274,625 | 53,493 | 49,975 | 48,683 |
| Prepaid expenses..... | 35,720 | 34,504 | 32,500 | 30,987 | 30,471 | 29,256 | 4,733 | 4,033 | 3,244 |
| Other assets..... | 212,698 | 187,680 | 191,514 | 176,435 | 154,141 | 159,934 | 36,263 | 33,539 | 31,580 |
| RATIOS | | | | | | | | | |
| Percentages of total assets: | | | | | | | | | |
| Cash and balances with other banks..... | 22.2% | 19.7% | 21.1% | 23.9% | 21.3% | 22.7% | 3.9% | 4.2% | 4.5% |
| U. S. Government obligations, direct and guaranteed..... | 37.5 | 42.6 | 43.2 | 36.6 | 41.7 | 42.4 | 47.1 | 50.7 | 52.0 |
| Other securities..... | 7.5 | 7.4 | 6.8 | 7.3 | 7.1 | 6.4 | 9.6 | 10.2 | 10.4 |
| Loans and discounts..... | 31.7 | 29.1 | 27.8 | 31.1 | 28.7 | 27.4 | 38.2 | 33.8 | 32.0 |
| Other assets..... | 1.1 | 1.2 | 1.1 | 1.1 | 1.2 | 1.1 | 1.2 | 1.1 | 1.1 |
| Total capital accounts..... | 7.0 | 7.4 | 7.1 | 6.8 | 7.2 | 6.9 | 9.5 | 9.4 | 9.4 |

Table 107. ASSETS AND LIABILITIES OF OPERATING INSURED BANKS, DECEMBER 30, 1950, JUNE 30, 1950, AND DECEMBER 31, 1949—Continued
(Amounts in thousands of dollars)

| Liabilities and capital | All insured banks | | | Insured commercial banks ¹ | | | Insured mutual savings banks | | |
|---|--------------------|--------------------|--------------------|---------------------------------------|--------------------|--------------------|------------------------------|-------------------|-------------------|
| | Dec. 30, 1950 | June 30, 1950 | Dec. 31, 1949 | Dec. 30, 1950 | June 30, 1950 | Dec. 31, 1949 | Dec. 30, 1950 | June 30, 1950 | Dec. 31, 1949 |
| Total liabilities and capital accounts | 182,698,421 | 170,364,182 | 170,378,776 | 166,791,755 | 154,700,864 | 155,318,889 | 15,906,666 | 15,663,318 | 15,059,887 |
| Deposits of individuals, partnerships, and corporations—total | 138,881,057 | 129,802,565 | 130,172,268 | 124,575,069 | 115,687,067 | 116,590,911 | 14,305,988 | 14,115,498 | 13,581,357 |
| Demand..... | 90,004,198 | 80,715,147 | 82,138,607 | 89,992,776 | 80,704,528 | 82,128,729 | 11,422 | 10,619 | 9,878 |
| Time..... | 48,876,859 | 49,087,418 | 48,033,661 | 34,582,293 | 34,982,539 | 34,462,182 | 14,294,566 | 14,104,879 | 13,571,479 |
| Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks | 2,908,960 | 2,154,068 | 2,341,659 | 2,904,687 | 2,149,878 | 2,338,307 | 4,273 | 4,190 | 3,352 |
| Government deposits—total | 12,271,185 | 13,085,762 | 11,896,122 | 12,261,835 | 13,077,827 | 11,889,661 | 9,350 | 7,935 | 6,461 |
| United States Government—demand..... | 2,795,933 | 3,596,643 | 3,056,587 | 2,794,060 | 3,595,216 | 3,054,607 | 1,873 | 1,427 | 1,980 |
| United States Government—time..... | 185,507 | 183,018 | 178,121 | 185,282 | 182,749 | 177,863 | 225 | 269 | 258 |
| States and subdivisions—demand..... | 7,917,149 | 7,946,204 | 7,425,023 | 7,915,894 | 7,944,081 | 7,423,797 | 1,255 | 2,123 | 1,226 |
| States and subdivisions—time..... | 1,372,596 | 1,359,897 | 1,236,391 | 1,366,599 | 1,355,781 | 1,233,394 | 5,997 | 4,116 | 2,997 |
| Interbank and postal savings deposits—total | 13,756,494 | 11,077,976 | 12,375,807 | 13,756,020 | 11,077,581 | 12,375,430 | 474 | 395 | 377 |
| Banks in the United States—demand..... | 11,956,820 | 9,579,247 | 10,884,885 | 11,956,791 | 9,579,218 | 10,884,850 | 29 | 29 | 35 |
| Banks in the United States—time..... | 29,164 | 31,317 | 29,539 | 28,719 | 30,951 | 29,197 | 445 | 366 | 342 |
| Banks in foreign countries—demand..... | 1,442,351 | 1,280,965 | 1,315,270 | 1,442,351 | 1,280,965 | 1,315,270 | ..... | ..... | ..... |
| Banks in foreign countries—time..... | 318,161 | 177,568 | 139,398 | 318,161 | 177,568 | 139,398 | ..... | ..... | ..... |
| Postal savings..... | 9,998 | 8,879 | 6,715 | 9,998 | 8,879 | 6,715 | ..... | ..... | ..... |
| Total deposits | 167,817,696 | 156,120,371 | 156,785,856 | 153,497,611 | 141,992,353 | 143,194,309 | 14,320,085 | 14,128,018 | 13,591,547 |
| Demand..... | 117,025,411 | 105,272,274 | 107,162,031 | 117,006,559 | 105,253,836 | 107,145,560 | 18,852 | 18,388 | 16,471 |
| Time..... | 50,792,285 | 50,848,097 | 49,623,825 | 36,491,052 | 36,738,407 | 36,048,749 | 14,301,233 | 14,109,630 | 13,575,076 |
| Miscellaneous liabilities—total | 2,086,850 | 1,698,870 | 1,524,711 | 2,013,282 | 1,630,100 | 1,475,881 | 73,568 | 68,770 | 48,830 |
| Bills payable, rediscounts, and other liabilities for borrowed money..... | 87,072 | 36,778 | 14,154 | 87,072 | 36,778 | 14,154 | ..... | ..... | ..... |
| Acceptances outstanding..... | 245,705 | 193,670 | 199,790 | 248,705 | 193,670 | 199,790 | ..... | ..... | ..... |
| Dividends declared but not yet payable..... | 72,107 | 87,587 | 70,563 | 65,313 | 56,421 | 66,742 | 6,794 | 11,166 | 3,821 |
| Income collected but not earned..... | 314,630 | 293,068 | 249,130 | 312,810 | 291,287 | 247,437 | 1,820 | 1,781 | 1,693 |
| Expenses accrued and unpaid..... | 504,433 | 426,520 | 393,113 | 493,784 | 414,886 | 383,378 | 10,649 | 11,634 | 9,735 |
| Other liabilities..... | 859,903 | 681,247 | 597,961 | 805,598 | 637,058 | 564,380 | 54,305 | 44,189 | 33,581 |
| Total liabilities (excluding capital accounts) | 169,904,546 | 157,819,241 | 158,310,567 | 155,510,893 | 143,622,453 | 144,670,190 | 14,393,653 | 14,196,788 | 13,640,377 |

| | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|
| Capital accounts—total | 12,793,875 | 12,544,941 | 12,068,209 | 11,280,862 | 11,078,411 | 10,648,699 | 1,513,013 | 1,466,530 | 1,419,510 |
| Capital stock, notes, and debentures..... | 3,523,526 | 3,488,509 | 3,400,822 | 3,518,083 | 3,482,963 | 3,395,489 | 5,443 | 5,546 | 5,333 |
| Surplus..... | 6,329,990 | 6,072,132 | 5,863,498 | 5,200,481 | 4,985,564 | 4,803,154 | 1,123,509 | 1,086,568 | 1,060,344 |
| Undivided profits..... | 2,415,317 | 2,420,682 | 2,248,909 | 2,093,304 | 2,108,111 | 1,954,348 | 322,013 | 312,571 | 294,561 |
| Reserves..... | 531,042 | 563,618 | 554,980 | 468,994 | 501,773 | 495,708 | 62,048 | 61,845 | 59,272 |
| MEMORANDA | | | | | | | | | |
| Pledged assets and securities loaned | 15,464,146 | 15,732,931 | 14,659,992 | 15,464,146 | 15,732,931 | 14,659,992 | | | |
| Capital stock, notes, and debentures: | | | | | | | | | |
| Par or face value—total | 3,525,906 | 3,490,937 | 3,403,769 | 3,518,806 | 3,483,687 | 3,396,239 | 7,100 | 7,250 | 7,530 |
| Common stock..... | 3,436,556 | 3,397,164 | 3,305,479 | 3,436,556 | 3,397,164 | 3,305,479 | | | |
| Capital notes and debentures..... | 27,391 | 27,105 | 29,261 | 20,291 | 19,855 | 21,731 | 7,100 | 7,250 | 7,530 |
| Preferred stock..... | 61,959 | 66,668 | 69,029 | 61,959 | 66,668 | 69,029 | | | |
| Retireable value of preferred stock..... | 118,037 | 125,431 | 131,062 | 118,037 | 125,431 | 131,062 | | | |
| Number of banks..... | 13,640 | 13,641 | 13,628 | 13,446 | 13,449 | 13,436 | 194 | 192 | 192 |

¹ Includes stock savings banks and nondeposit trust companies.

² United States savings bonds, Treasury bonds (investment series A-1965), and depositary bonds.

³ Includes obligations of United States Government corporations and agencies, not guaranteed by the United States Government.

⁴ Reserves for losses on loans authorized by the Bureau of Internal Revenue for income tax purposes and other valuation reserves.

Back figures: See the Annual Reports for 1949, pp. 146-149, and for 1948, pp. 94-97.

EXAMINERS' EVALUATION OF INSURED COMMERCIAL BANKS

- Table 108. Examiners' appraisal of assets, liabilities, and capital of insured commercial banks examined in 1941-1950
- Table 109. Examiners' appraisal of assets, liabilities, and capital of insured commercial banks examined in 1950
Banks grouped according to amount of deposits
- Table 110. Examiners' appraisal of assets, liabilities, and capital of insured commercial banks examined in 1950
Banks grouped by Federal Deposit Insurance Corporation district and State

The tables in this section present a summary of the evaluation of bank assets and liabilities made by examiners of the Federal supervisory agencies. Since bank examinations are made at various dates during the year, these tables differ from those in the previous sections, which are based on reports submitted by the banks for specified dates. These tables have been prepared from reports of examination available during the year and do not cover precisely the banks examined in that year. The figures for 1950 include 13,335 insured commercial banks operating at the close of the year and 39 banks which ceased operations or were taken over by others during the year. Figures for 108 insured banks operating at the close of the year were not included in the tabulations: 6 because they were not engaged in deposit banking, and 102 because reports of examination were, for various reasons, not available for tabulation. For 469 banks the figures are derived from reports of examination made in the last six months of 1949.

Evaluation of assets

Book value of assets is the net value, after deduction of valuation and premium reserves, at which the assets are carried on the books of the banks at the time of examination.

Assets not on the books represent the determinable sound value of assets which are not included in the bank's statement of assets or are carried at nominal values.

Examiners' deductions from total assets represent the difference between the appraised value and book value of assets shown on the books.

Examiners' deductions (net) from total assets in Table 110 is

the difference between examiners' deductions and the determinable sound values of assets not shown on the books.

Appraised value of total assets represents the value of all assets as determined by examiners and is segregated into two groups: (1) not criticized, which represents the appraised value of assets regarded as suitable for bank investment; and (2) substandard, which represents the appraised value of assets believed by the examiners to involve a substantial degree of risk, or to be otherwise undesirable for bank investment. For a description of the procedure followed in examiners' evaluation of assets, see the following Annual Reports of the Corporation; 1938, pages 61-78; and 1949, pages 10-11. Appraised value of other securities and of loans and discounts does not include assets not shown on the books which are included in the appraised value of fixed and miscellaneous assets.

Evaluation of liabilities and capital

Adjusted liabilities include all liabilities shown on the books and such others as have been determined by the examiners.

Book value of capital accounts refers to the net worth or equity of the stockholders (including holders of capital notes and debentures) shown on the books at the time of examination.

Adjusted capital accounts equal book value of total capital accounts plus the value of assets not shown on the books, less examiners' deductions from total assets, and less liabilities not shown on the books. The term "adjusted capital accounts" corresponds to the term "net sound capital" used in the Annual Reports of the Corporation for the years 1939-1943.

Table 108. EXAMINERS' APPRAISAL OF ASSETS, LIABILITIES, AND CAPITAL OF INSURED COMMERCIAL BANKS EXAMINED IN 1941-1950
(Amounts in thousands of dollars)

| Asset, liability, or capital account item | 1941 | 1942 | 1943 | 1944 | 1945 | 1946 | 1947 | 1948 | 1949 | 1950 |
|---|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total assets—book value..... | 71,697,320 | 80,449,956 | 102,021,738 | 118,843,675 | 138,032,336 | 147,828,793 | 144,531,287 | 147,679,494 | 149,150,139 | 154,799,121 |
| Assets not on the books..... | 19,851 | 20,089 | 26,346 | 20,897 | 20,283 | 16,017 | 15,156 | 16,056 | 13,252 | 10,464 |
| Examiners' deductions..... | 174,037 | 145,741 | 97,144 | 54,193 | 29,354 | 25,095 | 35,596 | 40,775 | 34,009 | 26,699 |
| Appraised value..... | 71,543,134 | 80,324,304 | 101,950,940 | 118,810,379 | 138,023,265 | 147,819,715 | 144,510,847 | 147,654,775 | 149,129,382 | 154,782,886 |
| Not criticized..... | 69,512,512 | 78,610,078 | 100,690,343 | 117,984,985 | 137,404,382 | 147,293,671 | 143,814,520 | 146,866,522 | 148,367,106 | 154,093,855 |
| Substandard..... | 2,030,622 | 1,714,226 | 1,260,097 | 825,394 | 618,883 | 526,044 | 696,327 | 788,253 | 762,276 | 689,031 |
| Cash and due from banks..... | 24,107,119 | 24,618,882 | 25,342,868 | 26,036,187 | 29,215,660 | (¹) | 31,790,001 | 33,487,233 | 33,021,350 | 32,894,750 |
| U. S. Government obligations—book value..... | (²) | 26,799,729 | 50,067,210 | 65,089,147 | 78,783,904 | (¹) | 69,134,182 | 63,438,109 | 63,466,989 | 63,481,873 |
| Appraised value ³ | (²) | 26,807,855 | 50,073,639 | 65,096,303 | 78,794,810 | (¹) | (^{1}) | (^{1}) | (^{1}) | (^{1}) |
| Other securities—book value... | 25,759,640 | 6,682,798 | 6,055,350 | 5,805,695 | 6,215,580 | (¹) | 7,890,527 | 8,435,320 | 9,047,781 | 10,642,848 |
| Appraised value..... | 25,722,984 | 6,651,951 | 6,040,897 | 5,800,937 | 6,213,954 | (¹) | 7,888,268 | 8,432,640 | 9,045,770 | 10,641,719 |
| Not criticized..... | 24,970,412 | 6,034,558 | 5,578,743 | 5,499,037 | 5,954,653 | (¹) | 7,657,623 | 8,221,268 | 8,845,376 | 10,439,625 |
| Substandard..... | 752,572 | 617,393 | 462,154 | 301,900 | 259,301 | (¹) | 230,645 | 211,372 | 200,394 | 202,094 |
| Loans and discounts—book value..... | 19,544,145 | 20,136,352 | 18,290,697 | 19,562,561 | 21,436,642 | (¹) | 33,100,496 | 39,416,074 | 40,778,572 | 44,934,475 |
| Appraised value..... | 19,467,422 | 20,071,927 | 18,251,118 | 19,539,481 | 21,424,482 | (¹) | 33,075,357 | 39,385,909 | 40,752,947 | 44,913,063 |
| Not criticized..... | 18,618,309 | 19,303,969 | 17,710,001 | 19,180,144 | 21,161,567 | (¹) | 32,653,390 | 38,852,883 | 40,238,045 | 44,467,867 |
| Substandard..... | 849,113 | 767,958 | 541,117 | 359,337 | 262,915 | (¹) | 421,967 | 533,026 | 514,902 | 445,196 |
| Fixed and miscellaneous assets—book value..... | 2,286,416 | 2,212,195 | 2,265,613 | 2,350,085 | 2,380,550 | (¹) | 2,616,081 | 2,902,758 | 2,835,447 | 2,845,175 |
| Appraised value..... | 2,245,609 | 2,173,689 | 2,242,418 | 2,337,471 | 2,374,359 | (¹) | 2,623,039 | 2,910,384 | 2,842,326 | 2,851,481 |
| Not criticized..... | 1,816,672 | 1,844,814 | 1,985,592 | 2,173,314 | 2,277,692 | (¹) | 2,579,324 | 2,867,029 | 2,795,346 | 2,809,740 |
| Substandard..... | 428,937 | 328,875 | 256,826 | 164,157 | 96,667 | (¹) | 43,715 | 43,855 | 46,980 | 41,741 |
| Total liabilities—book value.... | 65,012,512 | 73,529,826 | 94,882,516 | 111,242,503 | 129,849,891 | 139,081,529 | 135,120,704 | 137,795,798 | 138,712,491 | 143,936,354 |
| Total deposits..... | 64,218,740 | 72,755,007 | 94,087,113 | 110,177,295 | 128,263,849 | 137,221,546 | 133,169,657 | 135,666,637 | 136,424,272 | 141,411,203 |
| Other liabilities—book value..... | 793,772 | 774,819 | 795,403 | 1,065,208 | 1,586,042 | 1,859,983 | 1,951,047 | 2,129,161 | 2,288,219 | 2,525,151 |
| Liabilities not on the books..... | 6,004 | 7,362 | 4,491 | 7,563 | 3,731 | 4,719 | 2,635 | 4,083 | 4,614 | 3,557 |
| Adjusted total liabilities..... | 65,018,596 | 73,537,188 | 94,887,007 | 111,250,066 | 129,853,622 | 139,086,248 | 135,123,339 | 137,799,881 | 138,717,105 | 143,939,911 |

| | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| Total capital accounts—book value..... | 6,684,808 | 6,920,130 | 7,139,222 | 7,601,172 | 8,182,445 | 8,747,264 | 9,410,583 | 9,883,696 | 10,437,648 | 10,862,767 |
| Assets not on the books..... | 19,851 | 20,089 | 26,346 | 20,897 | 20,283 | 16,017 | 15,156 | 16,056 | 13,252 | 10,464 |
| Examiners' deductions from total assets..... | 174,037 | 145,741 | 97,144 | 54,193 | 29,354 | 25,095 | 35,596 | 40,775 | 34,009 | 26,699 |
| Liabilities not on the books..... | 6,084 | 7,362 | 4,491 | 7,563 | 3,731 | 4,719 | 2,635 | 4,083 | 4,614 | 3,557 |
| Adjusted capital accounts..... | 6,524,538 | 6,787,116 | 7,063,933 | 7,560,313 | 8,169,643 | 8,733,467 | 9,387,508 | 9,854,894 | 10,412,277 | 10,842,975 |
| Adjusted capital accounts per \$100 of— | | | | | | | | | | |
| Book capital..... | \$97.60 | \$98.08 | \$98.95 | \$99.46 | \$99.84 | \$99.84 | \$99.75 | \$99.71 | \$99.76 | \$99.82 |
| Appraised value of total assets.. | 9.12 | 8.45 | 6.93 | 6.36 | 5.92 | 5.91 | 6.50 | 6.67 | 6.98 | 7.01 |
| Substandard assets per \$100 of— | | | | | | | | | | |
| Appraised value of total assets.. | 2.84 | 2.13 | 1.24 | .69 | .45 | .36 | .48 | .53 | .51 | .45 |
| Adjusted capital accounts..... | 31.12 | 25.26 | 17.84 | 10.92 | 7.58 | 6.02 | 7.42 | 8.00 | 7.32 | 6.35 |
| Substandard loans and discounts per \$100 of— | | | | | | | | | | |
| Appraised value of loans and discounts..... | 4.36 | 3.83 | 2.96 | 1.84 | 1.23 | (¹) | 1.28 | 1.35 | 1.26 | .99 |
| Number of banks..... | 13,308 | 13,303 | 13,207 | 12,983 | 12,473 | 12,493 | 12,747 | 12,927 | 13,266 | 13,374 |

¹ Not available separately.

² U. S. Government obligations not available separately; included under other securities.

³ Appraised value is in excess of book value due to the excess of redemption value of U. S. savings bonds not shown on the books over examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par.

⁴ Appraised value not available. Redemption value of U. S. savings bonds not shown on the books included under fixed and miscellaneous assets, while examiners' deductions of unamortized premium on U. S. Government obligations purchased above par included under other securities.

Table 109. EXAMINERS' APPRAISAL OF ASSETS, LIABILITIES, AND CAPITAL OF INSURED COMMERCIAL BANKS EXAMINED IN 1950
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

| Asset, liability, or capital account item | All banks | Banks with deposits of— | | | | | | | |
|--|--------------------|-------------------------|--------------------------|----------------------------|----------------------------|-----------------------------|------------------------------|-------------------------------|-------------------------|
| | | \$500,000 or less | \$500,000 to \$1,000,000 | \$1,000,000 to \$2,000,000 | \$2,000,000 to \$5,000,000 | \$5,000,000 to \$10,000,000 | \$10,000,000 to \$50,000,000 | \$50,000,000 to \$100,000,000 | More than \$100,000,000 |
| (Amounts in thousands of dollars) | | | | | | | | | |
| Total assets—book value | 154,799,121 | 264,039 | 1,637,217 | 5,257,211 | 14,139,372 | 13,358,185 | 26,708,840 | 11,669,026 | 81,765,231 |
| Assets not on the books..... | 10,464 | 55 | 486 | 1,582 | 2,653 | 1,686 | 1,976 | 961 | 1,065 |
| Examiners' deductions..... | 26,699 | 410 | 1,479 | 3,787 | 6,491 | 4,336 | 5,913 | 1,797 | 2,486 |
| Appraised value..... | 154,782,886 | 263,684 | 1,636,224 | 5,255,006 | 14,135,534 | 13,355,535 | 26,704,903 | 11,668,190 | 81,763,810 |
| Not criticized..... | 154,093,855 | 258,192 | 1,612,013 | 5,195,244 | 14,013,017 | 13,265,282 | 26,574,842 | 11,625,558 | 81,549,677 |
| Substandard..... | 689,031 | 5,492 | 24,211 | 59,762 | 122,517 | 90,253 | 130,061 | 42,602 | 214,133 |
| Cash and due from banks | 32,894,750 | 69,544 | 362,977 | 1,118,808 | 2,873,258 | 2,610,674 | 5,245,265 | 2,464,915 | 18,149,309 |
| U. S. Government obligations—book value | 63,481,873 | 86,529 | 635,156 | 2,144,643 | 5,868,741 | 5,717,309 | 11,833,480 | 5,080,507 | 32,115,508 |
| Other securities—book value | 10,642,848 | 9,650 | 82,457 | 314,739 | 1,065,127 | 1,119,137 | 2,089,842 | 753,352 | 5,208,544 |
| Appraised value..... | 10,641,719 | 9,645 | 82,403 | 314,651 | 1,064,820 | 1,119,015 | 2,089,491 | 753,305 | 5,208,389 |
| Not criticized..... | 10,439,625 | 9,123 | 80,777 | 309,201 | 1,045,645 | 1,098,183 | 2,048,497 | 737,188 | 5,111,011 |
| Substandard..... | 202,094 | 522 | 1,626 | 5,450 | 19,175 | 20,832 | 40,994 | 16,117 | 97,378 |
| Loans and discounts—book value | 44,934,475 | 95,684 | 543,124 | 1,633,543 | 4,196,813 | 3,766,147 | 7,181,913 | 3,187,609 | 24,329,642 |
| Appraised value..... | 44,913,063 | 95,315 | 541,805 | 1,630,105 | 4,191,339 | 3,762,415 | 7,177,340 | 3,186,374 | 24,328,370 |
| Not criticized..... | 44,467,867 | 90,466 | 519,555 | 1,576,962 | 4,091,076 | 3,696,372 | 7,098,765 | 3,164,935 | 24,229,736 |
| Substandard..... | 445,196 | 4,849 | 22,250 | 53,143 | 100,263 | 66,043 | 78,575 | 21,439 | 98,634 |
| Fixed and miscellaneous assets—book value | 2,845,175 | 2,632 | 13,503 | 45,478 | 135,433 | 144,918 | 358,340 | 182,643 | 1,962,228 |
| Appraised value..... | 2,851,481 | 2,651 | 13,883 | 46,799 | 137,376 | 146,122 | 359,327 | 183,089 | 1,962,234 |
| Not criticized..... | 2,809,740 | 2,530 | 13,543 | 45,630 | 134,297 | 142,744 | 348,835 | 178,043 | 1,944,113 |
| Substandard..... | 41,741 | 121 | 335 | 1,169 | 3,079 | 3,378 | 10,492 | 5,046 | 18,121 |
| Total liabilities—book value | 143,936,354 | 232,637 | 1,484,290 | 4,827,502 | 13,086,412 | 12,424,259 | 24,960,650 | 10,927,564 | 75,993,040 |
| Total deposits..... | 141,411,203 | 231,744 | 1,478,932 | 4,813,570 | 13,039,732 | 12,353,928 | 24,766,605 | 10,797,355 | 73,929,337 |
| Other liabilities—book value..... | 2,525,151 | 893 | 5,358 | 13,932 | 46,680 | 70,331 | 194,045 | 130,209 | 2,063,703 |
| Liabilities not on the books..... | 3,557 | 43 | 175 | 308 | 663 | 255 | 629 | 100 | 1,384 |
| Adjusted total liabilities..... | 143,939,911 | 232,680 | 1,484,465 | 4,827,810 | 13,087,075 | 12,424,514 | 24,961,279 | 10,927,664 | 75,994,424 |
| Total capital accounts—book value | 10,862,767 | 31,402 | 152,927 | 429,709 | 1,052,960 | 933,926 | 1,748,190 | 741,462 | 5,772,191 |
| Assets not on the books..... | 10,464 | 55 | 486 | 1,582 | 2,653 | 1,686 | 1,976 | 961 | 1,065 |
| Examiners' deductions from total assets..... | 26,699 | 410 | 1,479 | 3,787 | 6,491 | 4,336 | 5,913 | 1,797 | 2,486 |
| Liabilities not on the books..... | 3,557 | 43 | 175 | 308 | 663 | 255 | 629 | 100 | 1,384 |
| Adjusted capital accounts..... | 10,842,975 | 31,004 | 151,759 | 427,196 | 1,048,459 | 931,021 | 1,743,624 | 740,526 | 5,769,386 |

| | | | | | | | | | |
|--|---------------|------------|--------------|--------------|--------------|--------------|--------------|------------|------------|
| Adjusted capital accounts per \$100 of— | | | | | | | | | |
| Book capital..... | \$99.82 | \$98.73 | \$99.24 | \$99.42 | \$99.57 | \$99.69 | \$99.74 | \$99.87 | \$99.95 |
| Appraised value of total assets..... | 7.01 | 11.76 | 9.27 | 8.13 | 7.42 | 6.97 | 6.53 | 6.35 | 7.06 |
| Substandard assets per \$100 of— | | | | | | | | | |
| Appraised value of total assets..... | .45 | 2.08 | 1.48 | 1.14 | .87 | .68 | .49 | .37 | .26 |
| Adjusted capital accounts..... | 6.35 | 17.71 | 15.95 | 13.99 | 11.69 | 9.69 | 7.46 | 5.75 | 3.71 |
| Substandard loans and discounts per \$100 of— | | | | | | | | | |
| Appraised value of loans and discounts..... | .99 | 5.09 | 4.11 | 3.26 | 2.39 | 1.76 | 1.09 | .67 | .41 |
| Number of banks..... | 13,374 | 624 | 1,958 | 3,286 | 4,131 | 1,769 | 1,245 | 177 | 184 |

Back figures: See the Annual Report for 1949, pp. 154-155, and earlier reports.

Table 110. EXAMINERS' APPRAISAL OF ASSETS, LIABILITIES, AND CAPITAL OF INSURED COMMERCIAL BANKS EXAMINED IN 1950
BANKS GROUPED BY FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICT AND STATE
 (Amounts in thousands of dollars)

| FDIC District and State | Number of banks | Total assets | | | | | Total liabilities | | Total capital accounts | | Adjusted capital accounts per \$100 of appraised value of total assets | Substandard assets per \$100 of— | |
|------------------------------------|-----------------|--------------|--|-----------------|----------------|--------------|-------------------|----------------|------------------------|----------------|--|----------------------------------|---------------------------|
| | | Book value | Examiners' deductions (net) ¹ | Appraised value | | | Book value | Adjusted value | Book value | Adjusted value | | Appraised value of total assets | Adjusted capital accounts |
| | | | | Total | Not criticized | Sub-standard | | | | | | | |
| United States and possessions..... | 13,374 | 154,799,121 | 16,235 | 154,782,886 | 154,093,855 | 689,031 | 143,936,354 | 143,939,911 | 10,862,767 | 10,842,975 | 7.01 | .45 | 6.35 |
| United States..... | 13,362 | 154,603,775 | 15,549 | 154,588,226 | 153,905,909 | 682,317 | 143,757,741 | 143,761,270 | 10,846,034 | 10,826,956 | 7.00 | .44 | 6.30 |
| Possessions..... | 12 | 195,346 | 686 | 194,660 | 187,946 | 6,714 | 178,613 | 178,641 | 16,733 | 16,019 | 8.23 | 3.45 | 41.91 |
| FDIC District | | | | | | | | | | | | | |
| District 1..... | 462 | 7,525,266 | 1,418 | 7,523,848 | 7,494,872 | 28,976 | 6,912,108 | 6,912,115 | 613,158 | 611,783 | 8.13 | .39 | 4.74 |
| District 2 ^a | 987 | 39,398,702 | 4,021 | 39,394,681 | 39,198,447 | 196,234 | 36,154,833 | 36,155,424 | 3,243,869 | 3,239,257 | 8.22 | .50 | 6.06 |
| District 3..... | 1,592 | 18,825,759 | 1,084 | 18,824,675 | 18,739,962 | 84,713 | 17,256,186 | 17,257,659 | 1,569,573 | 1,567,016 | 8.32 | .45 | 5.41 |
| District 4..... | 1,025 | 8,293,704 | 2,024 | 8,291,680 | 8,234,595 | 57,085 | 7,704,605 | 7,704,722 | 589,099 | 586,958 | 7.08 | .69 | 9.73 |
| District 5..... | 943 | 5,825,846 | 1,141 | 5,824,705 | 5,780,628 | 44,077 | 5,436,474 | 5,436,566 | 389,372 | 388,139 | 6.66 | .76 | 11.36 |
| District 6..... | 1,437 | 8,866,495 | 1,359 | 8,865,136 | 8,816,748 | 48,388 | 8,291,659 | 8,291,825 | 574,836 | 573,308 | 6.47 | .55 | 8.44 |
| District 7..... | 1,430 | 12,025,567 | 78 | 12,025,489 | 11,991,648 | 33,841 | 11,321,524 | 11,321,670 | 704,043 | 703,819 | 5.85 | .28 | 4.81 |
| District 8..... | 1,477 | 15,152,474 | 780 | 15,153,254 | 15,108,968 | 44,286 | 14,225,536 | 14,225,652 | 926,938 | 927,602 | 6.12 | .29 | 4.77 |
| District 9..... | 1,078 | 4,577,879 | 404 | 4,578,283 | 4,561,024 | 17,259 | 4,305,947 | 4,305,989 | 271,932 | 272,294 | 5.95 | .38 | 6.34 |
| District 10..... | 1,400 | 6,055,466 | 1,166 | 6,054,300 | 6,024,528 | 29,772 | 5,670,553 | 5,671,271 | 384,913 | 383,029 | 6.33 | .49 | 7.77 |
| District 11..... | 1,066 | 9,482,799 | 3,552 | 9,479,247 | 9,427,442 | 51,805 | 8,935,800 | 8,935,859 | 546,999 | 543,388 | 5.73 | .55 | 9.53 |
| District 12 ^b | 477 | 18,769,164 | 1,576 | 18,767,588 | 18,714,993 | 52,595 | 17,721,129 | 17,721,166 | 1,048,035 | 1,046,432 | 5.58 | .28 | 5.03 |
| State | | | | | | | | | | | | | |
| Alabama..... | 225 | 1,294,222 | 482 | 1,293,740 | 1,284,440 | 9,300 | 1,202,848 | 1,202,868 | 91,374 | 90,872 | 7.02 | .72 | 10.23 |
| Arizona..... | 9 | 469,471 | 550 | 468,921 | 462,876 | 6,045 | 446,063 | 446,064 | 23,408 | 22,857 | 4.87 | 1.29 | 26.45 |
| Arkansas..... | 222 | 814,743 | 142 | 814,601 | 810,694 | 3,907 | 757,935 | 757,947 | 56,808 | 56,654 | 6.95 | .48 | 6.90 |
| California..... | 187 | 14,196,103 | 1,028 | 14,195,075 | 14,164,197 | 30,878 | 13,413,308 | 13,413,323 | 782,795 | 781,752 | 5.51 | .22 | 3.95 |
| Colorado..... | 142 | 1,225,932 | 124 | 1,225,808 | 1,220,001 | 5,807 | 1,151,895 | 1,152,008 | 74,037 | 73,800 | 6.02 | .47 | 7.87 |
| Connecticut..... | 96 | 1,563,630 | 151 | 1,563,479 | 1,557,957 | 5,522 | 1,443,840 | 1,443,841 | 119,790 | 119,638 | 7.65 | .35 | 4.62 |
| Delaware..... | 36 | 552,312 | 268 | 552,044 | 543,392 | 8,652 | 500,706 | 500,766 | 51,606 | 51,278 | 9.29 | 1.57 | 16.37 |
| Dist. of Columbia | 19 | 1,161,106 | 84 | 1,161,022 | 1,157,996 | 3,026 | 1,088,657 | 1,088,657 | 72,449 | 72,365 | 6.23 | .26 | 4.18 |
| Florida..... | 190 | 1,985,813 | 280 | 1,985,533 | 1,972,190 | 13,343 | 1,865,647 | 1,865,659 | 120,166 | 119,874 | 6.04 | .67 | 11.13 |
| Georgia..... | 331 | 1,746,184 | 299 | 1,745,885 | 1,734,547 | 11,338 | 1,622,330 | 1,622,371 | 123,854 | 123,514 | 7.07 | .65 | 9.18 |

| | | | | | | | | | | | | | |
|---------------------|-----|------------|-------|------------|------------|---------|------------|------------|-----------|-----------|-------|------|-------|
| Idaho..... | 41 | 436,898 | 1 | 436,894 | 435,977 | 917 | 415,016 | 415,018 | 21,877 | 21,876 | 5.01 | .21 | 4.19 |
| Illinois..... | 872 | 12,833,107 | 63 | 12,833,044 | 12,805,420 | 27,624 | 12,056,164 | 12,056,193 | 776,961 | 776,851 | 6.05 | .22 | 3.56 |
| Indiana..... | 474 | 3,276,387 | 73 | 3,276,460 | 3,265,020 | 11,440 | 3,079,066 | 3,079,162 | 197,323 | 197,298 | 6.02 | .35 | 5.80 |
| Iowa..... | 605 | 2,319,367 | 843 | 2,320,210 | 2,303,548 | 16,662 | 2,169,390 | 2,169,459 | 149,977 | 150,751 | 6.50 | .72 | 11.05 |
| Kansas..... | 464 | 1,547,468 | 325 | 1,547,143 | 1,538,000 | 9,143 | 1,453,644 | 1,453,870 | 93,824 | 93,273 | 6.03 | .59 | 9.80 |
| Kentucky..... | 362 | 1,600,774 | 358 | 1,600,416 | 1,591,971 | 8,445 | 1,481,920 | 1,481,967 | 118,854 | 118,449 | 7.40 | .53 | 7.13 |
| Louisiana..... | 160 | 1,845,133 | 227 | 1,844,906 | 1,835,069 | 9,847 | 1,744,881 | 1,744,903 | 100,252 | 100,003 | 5.42 | .53 | 9.85 |
| Maine..... | 54 | 446,563 | 230 | 446,333 | 443,632 | 2,701 | 406,900 | 406,902 | 39,663 | 39,431 | 8.83 | .61 | 6.85 |
| Maryland..... | 160 | 1,596,331 | 154 | 1,596,177 | 1,587,326 | 8,851 | 1,487,308 | 1,487,322 | 109,023 | 108,855 | 6.82 | .55 | 8.13 |
| Massachusetts..... | 173 | 4,318,410 | 158 | 4,318,252 | 4,310,418 | 7,834 | 3,966,833 | 3,966,835 | 351,577 | 351,417 | 8.14 | .18 | 2.23 |
| Michigan..... | 414 | 5,593,346 | 383 | 5,592,968 | 5,580,190 | 12,773 | 5,284,169 | 5,284,188 | 309,177 | 308,775 | 5.52 | .23 | 4.14 |
| Minnesota..... | 656 | 3,005,918 | 316 | 3,006,234 | 2,995,911 | 10,323 | 2,815,306 | 2,815,331 | 190,612 | 190,903 | 6.35 | .34 | 5.41 |
| Mississippi..... | 197 | 799,627 | 80 | 799,547 | 789,451 | 10,096 | 745,649 | 745,668 | 53,978 | 53,879 | 6.74 | 1.26 | 18.74 |
| Missouri..... | 565 | 4,430,734 | 492 | 4,430,242 | 4,407,924 | 22,318 | 4,162,316 | 4,162,384 | 268,418 | 267,858 | 6.05 | .50 | 8.33 |
| Montana..... | 111 | 684,926 | 67 | 684,869 | 681,387 | 3,482 | 558,934 | 558,937 | 25,992 | 25,932 | 4.43 | .60 | 13.43 |
| Nebraska..... | 366 | 1,313,207 | 24 | 1,313,183 | 1,308,650 | 4,533 | 1,232,275 | 1,232,422 | 80,932 | 80,761 | 6.15 | .35 | 5.61 |
| Nevada..... | 8 | 183,893 | 14 | 183,879 | 182,819 | 1,060 | 173,427 | 173,428 | 10,466 | 10,461 | 5.68 | .58 | 10.14 |
| New Hampshire..... | 58 | 236,604 | 268 | 236,336 | 233,794 | 2,542 | 212,385 | 212,385 | 24,219 | 23,951 | 10.13 | 1.08 | 10.61 |
| New Jersey..... | 320 | 4,901,057 | 699 | 4,900,358 | 4,855,212 | 45,146 | 4,574,540 | 4,574,726 | 326,517 | 325,632 | 6.65 | .92 | 13.86 |
| New Mexico..... | 50 | 335,356 | 298 | 335,058 | 332,224 | 2,834 | 317,311 | 317,313 | 18,045 | 17,745 | 5.30 | .85 | 15.97 |
| New York..... | 624 | 33,798,127 | 2,411 | 33,795,716 | 33,658,889 | 136,827 | 30,946,795 | 30,947,112 | 2,851,332 | 2,848,604 | 8.43 | .40 | 4.80 |
| North Carolina..... | 226 | 1,799,121 | 450 | 1,798,671 | 1,781,998 | 16,673 | 1,671,294 | 1,671,354 | 127,827 | 127,317 | 7.08 | .93 | 13.10 |
| North Dakota..... | 145 | 475,142 | 44 | 475,186 | 473,957 | 1,229 | 449,216 | 449,219 | 25,926 | 25,967 | 5.46 | .26 | 4.73 |
| Ohio..... | 641 | 7,747,328 | 447 | 7,746,881 | 7,727,138 | 19,743 | 7,266,474 | 7,266,511 | 480,854 | 480,370 | 6.20 | .25 | 4.11 |
| Oklahoma..... | 375 | 1,708,310 | 698 | 1,708,212 | 1,699,048 | 9,164 | 1,588,239 | 1,588,466 | 120,571 | 119,766 | 7.01 | .54 | 7.65 |
| Oregon..... | 68 | 1,375,955 | 54 | 1,375,901 | 1,368,409 | 7,492 | 1,293,994 | 1,293,996 | 81,961 | 81,905 | 5.95 | .54 | 9.15 |
| Pennsylvania..... | 951 | 11,078,431 | 637 | 11,077,794 | 11,012,824 | 64,970 | 9,989,712 | 9,991,148 | 1,088,719 | 1,086,646 | 9.81 | .59 | 5.98 |
| Rhode Island..... | 12 | 689,237 | 40 | 689,197 | 687,103 | 2,094 | 639,288 | 639,288 | 49,949 | 49,909 | 7.24 | .30 | 4.20 |
| South Carolina..... | 133 | 683,612 | 71 | 683,541 | 680,293 | 3,243 | 639,982 | 639,995 | 43,630 | 43,546 | 6.37 | .48 | 7.46 |
| South Dakota..... | 166 | 511,893 | 101 | 511,994 | 509,769 | 2,225 | 482,491 | 482,502 | 29,402 | 29,492 | 5.76 | .43 | 7.54 |
| Tennessee..... | 288 | 2,020,244 | 367 | 2,019,877 | 2,006,159 | 13,718 | 1,889,488 | 1,889,530 | 130,756 | 130,347 | 6.45 | .68 | 10.52 |
| Texas..... | 847 | 6,832,339 | 2,477 | 6,830,362 | 6,797,233 | 33,079 | 6,427,545 | 6,427,579 | 405,294 | 402,783 | 5.90 | .48 | 8.21 |
| Utah..... | 55 | 591,962 | 195 | 591,767 | 588,230 | 3,537 | 555,294 | 555,296 | 36,668 | 36,471 | 6.16 | .60 | 9.70 |
| Vermont..... | 69 | 270,822 | 571 | 270,251 | 261,968 | 8,283 | 242,862 | 242,864 | 27,960 | 27,387 | 10.13 | 3.06 | 30.24 |
| Virginia..... | 311 | 2,039,935 | 890 | 2,039,045 | 2,021,730 | 17,315 | 1,885,992 | 1,886,007 | 153,943 | 153,038 | 7.51 | .85 | 11.31 |
| Washington..... | 113 | 1,936,218 | 243 | 1,935,975 | 1,928,369 | 7,606 | 1,824,269 | 1,824,274 | 111,949 | 111,701 | 5.77 | .39 | 6.81 |
| West Virginia..... | 176 | 1,013,539 | 375 | 1,013,224 | 1,005,252 | 7,972 | 931,372 | 931,387 | 82,227 | 81,837 | 8.08 | .79 | 9.74 |
| Wisconsin..... | 542 | 3,155,834 | 232 | 3,155,666 | 3,146,438 | 9,628 | 2,958,291 | 2,958,320 | 197,543 | 197,746 | 6.27 | .31 | 4.87 |
| Wyoming..... | 53 | 260,049 | 95 | 259,954 | 258,829 | 1,125 | 244,500 | 244,525 | 15,549 | 15,429 | 5.94 | .43 | 7.29 |

¹ Examiners' deductions (net) is net of assets not on the books. Figures in italics represent excess of appraised value of assets over book value.

² Includes 7 banks in Puerto Rico not members of the Federal Reserve System.

³ Includes 3 national banks and 1 State bank in Alaska, and 1 State bank in Hawaii, not members of the Federal Reserve System.

EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS

- Table 111. Earnings, expenses, and dividends of insured commercial banks, 1942-1950
- Table 112. Ratios of earnings, expenses, and dividends of insured commercial banks, 1942-1950
- Table 113. Earnings, expenses, and dividends of insured commercial banks, 1950
By class of bank
- Table 114. Ratios of earnings, expenses, and dividends of insured commercial banks, 1950
By class of bank
- Table 115. Earnings, expenses, and dividends of insured commercial banks operating throughout 1950
Banks grouped according to amount of deposits
- Table 116. Ratios of earnings, expenses, and dividends of insured commercial banks operating throughout 1950
Banks grouped according to amount of deposits
- Table 117. Earnings, expenses, and dividends of insured commercial banks, by State, 1950
- Table 118. Earnings, expenses, and dividends of insured mutual savings banks, 1942-1950
- Table 119. Ratios of earnings, expenses, and dividends of insured mutual savings banks, 1942-1950

Reports of earnings, expenses, and dividends are submitted to the Federal supervisory agencies on either a cash or an accrual basis.

Earnings data are included for all insured banks operating at the end of the respective years, unless indicated otherwise. In addition, appropriate adjustments have been made for banks in operation during part of the year but not at the end of the year.

On December 8, 1947, the Commissioner of Internal Revenue issued Comm. Mimeograph Coll. No. 6209 entitled, "Reserve Method of Accounting for Bad Debts in the Case of Banks." (See pp. 82-84 in the 1947 Annual Report). Under this ruling, banks are permitted to accumulate limited amounts of tax-free reserves for bad debt losses on loans. As a result, since 1947 unusually large amounts were set aside from income to valuation reserves, and net profits were decreased accordingly. The uniform report of earnings and dividends for the calendar year 1948 was revised to show separately for the first time charge-offs and transfers to valuation reserves as well as recoveries and transfers from valuation reserves. Also, the actual recoveries and losses that are credited and charged to valuation reserves were reported as memoranda items.

Averages of assets and liabilities shown in Tables 111-114 and 117-

119 are based upon figures at the beginning, middle, and end of each year, as reported by banks operating on those dates. Consequently, the asset and liability averages are not strictly comparable with the earnings data, but the differences are not large enough to affect the totals significantly. Some further incomparability is also introduced into the data by class of bank by shifts between those classes during the year.

Assets and liabilities shown in Table 115, and utilized for computation of ratios shown in Table 116, are for the identical banks to which the earnings data pertain. For national banks and State banks members of the Federal Reserve System, assets and liabilities are as of December 30, 1950, and for other banks, are averages of beginning, middle, and end of the year.

Sources of data

National banks, and State banks not members of the Federal Reserve System in the District of Columbia: Office of the Comptroller of the Currency.

State banks members of the Federal Reserve System: Board of Governors of the Federal Reserve System.

Other insured banks: Federal Deposit Insurance Corporation.

Table III. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1942-1950
(Amounts in thousands of dollars)

| Earnings or expense item | 1942 | 1943 | 1944 | 1945 | 1946 | 1947 | 1948 | 1949 | 1950 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Current operating earnings—total | 1,790,692 | 1,959,481 | 2,214,905 | 2,482,278 | 2,862,875 | 3,097,670 | 3,403,586 | 3,606,879 | 3,930,696 |
| Interest on U. S. Government obligations..... | 610,298 | 861,412 | 1,090,253 | { 1,132,977 | 1,218,517 | 1,079,535 | 1,008,138 | 1,013,515 | 1,015,456 |
| Interest and dividends on other securities..... | 804,717 | 692,305 | 680,708 | { 167,198 | 176,620 | 179,408 | 189,559 | 201,691 | 225,425 |
| Interest and discount on loans..... | 12,084 | 13,513 | 17,320 | 707,738 | 936,554 | 1,263,788 | 1,577,633 | 1,733,690 | 1,978,100 |
| Service charges and fees on bank's loans..... | 84,309 | 95,332 | 107,375 | 18,860 | 14,564 | 18,386 | 22,315 | 26,090 | 31,724 |
| Service charges on deposit accounts..... | | | | 109,789 | 124,696 | 147,761 | 173,791 | 194,013 | 212,272 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 55,148 | 67,533 | 78,485 | 90,617 | 97,995 | 97,264 | 97,456 | 95,420 | 104,602 |
| Trust department..... | 100,652 | 104,710 | 112,486 | 120,317 | 140,340 | 144,734 | 156,678 | 160,430 | 180,674 |
| Other current operating earnings..... | 123,484 | 124,676 | 123,278 | 134,782 | 153,589 | 166,794 | 178,016 | 182,030 | 184,445 |
| Current operating expenses—total | 1,222,157 | 1,256,025 | 1,356,680 | 1,522,778 | 1,762,634 | 1,981,787 | 2,163,514 | 2,283,727 | 2,444,534 |
| Salaries—officers..... | 219,388 | 225,142 | 240,354 | 266,018 | 309,220 | 344,845 | 381,756 | 410,685 | 448,043 |
| Salaries and wages—employees..... | 333,171 | 356,958 | 386,346 | 424,881 | 521,709 | 602,266 | 662,696 | 700,065 | 755,681 |
| Fees paid to directors and members of executive, discount, and other committees..... | 11,541 | 11,775 | 12,907 | 14,610 | 16,936 | 18,954 | 20,859 | 22,608 | 24,745 |
| Interest on time and savings deposits..... | 174,674 | 163,900 | 186,773 | 233,321 | 268,624 | 298,274 | 316,570 | 328,010 | 343,040 |
| Interest and discount on borrowed money..... | 336 | 502 | 1,112 | 2,448 | 2,364 | 2,656 | 3,432 | 3,582 | 4,296 |
| Taxes other than on net income..... | 97,085 | 99,915 | 97,307 | 98,683 | 96,314 | 103,516 | 106,163 | 113,569 | 128,101 |
| Recurring depreciation on banking house, furniture and fixtures..... | 39,917 | 40,008 | 41,845 | 40,329 | 40,850 | 42,276 | 48,271 | 53,988 | 59,469 |
| Other current operating expenses..... | 346,045 | 357,825 | 390,036 | 442,488 | 506,617 | 569,000 | 623,767 | 651,219 | 683,159 |
| Net current operating earnings | 568,535 | 703,456 | 858,225 | 959,500 | 1,100,241 | 1,115,883 | 1,240,072 | 1,323,153 | 1,486,164 |
| Recoveries, transfers from reserve accounts, and profits—total | 222,775 | 353,015 | 361,726 | 509,329 | 408,608 | 262,042 | 266,439 | 213,187 | 245,461 |
| On securities: | | | | | | | | | |
| Recoveries..... | | | | | | | 29,221 | 16,412 | 14,778 |
| Transfers from reserve accounts..... | 55,947 | 91,891 | 92,778 | 122,364 | 59,515 | 45,360 | 24,161 | 26,672 | 38,639 |
| Profits on securities sold or redeemed..... | 66,457 | 103,143 | 129,834 | 266,764 | 208,700 | 100,189 | 60,025 | 73,196 | 90,469 |
| On loans: | | | | | | | | | |
| Recoveries..... | | | | | | | 39,748 | 23,142 | 28,506 |
| Transfers from reserve accounts..... | 68,546 | 85,664 | 84,224 | 67,014 | 74,499 | 67,687 | 48,934 | 29,220 | 29,971 |
| All other..... | 31,825 | 72,317 | 54,890 | 53,187 | 65,894 | 48,806 | 64,350 | 45,546 | 43,157 |
| Losses, charge-offs, and transfers to reserve accounts—total | 271,118 | 290,645 | 265,881 | 264,122 | 283,175 | 294,286 | 485,753 | 379,824 | 366,932 |
| On securities: | | | | | | | | | |
| Losses and charge-offs..... | 120,614 | 116,383 | 110,439 | 132,870 | 132,254 | 118,498 | 78,590 | 38,671 | 38,721 |
| Transfers to reserve accounts..... | | | | | | | 40,941 | 33,044 | 54,518 |
| On loans: | | | | | | | | | |
| Losses and charge-offs..... | 80,647 | 75,223 | 70,090 | 55,901 | 71,253 | 120,370 | 32,393 | 29,064 | 23,030 |
| Transfers to reserve accounts..... | 69,857 | 99,039 | 85,352 | 75,351 | 79,668 | 55,418 | 278,666 | 221,167 | 191,248 |
| All other..... | | | | | | | 55,163 | 57,878 | 59,414 |

| | | | | | | | | | |
|---|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net profits before income taxes..... | 520,192 | 765,826 | 954,070 | 1,204,707 | 1,225,674 | 1,083,639 | 1,020,758 | 1,156,514 | 1,364,690 |
| Taxes on net income—total..... | 79,541 | 127,865 | 202,821 | 298,795 | 323,328 | 302,242 | 275,422 | 325,148 | 427,776 |
| Federal..... | (1) | 114,816 | 187,032 | 277,538 | 301,048 | 283,046 | 258,490 | 304,572 | 402,582 |
| State..... | (1) | 13,549 | 15,789 | 21,257 | 22,280 | 19,196 | 16,932 | 20,576 | 25,194 |
| Net profits after income taxes..... | 440,651 | 637,961 | 751,249 | 905,912 | 902,346 | 781,397 | 745,336 | 831,364 | 936,915 |
| Dividends and interest on capital—total..... | 227,608 | 233,490 | 253,193 | 274,438 | 298,983 | 315,215 | 331,833 | 354,144 | 391,249 |
| Dividends declared on preferred stock and interest on capital notes and debentures..... | 14,523 | 14,924 | 13,645 | 11,769 | 8,345 | 5,981 | 5,230 | 5,093 | 4,333 |
| Cash dividends declared on common stock.... | 213,085 | 219,166 | 239,548 | 262,669 | 290,638 | 309,234 | 326,603 | 349,052 | 386,916 |
| Net additions to capital from profits..... | 213,043 | 404,471 | 498,056 | 631,474 | 603,363 | 466,182 | 413,503 | 477,220 | 545,666 |
| Memoranda | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | |
| On securities..... | (1) | (1) | (1) | (1) | (1) | (1) | 7,224 | 2,600 | 3,565 |
| On loans..... | (1) | (1) | (1) | (1) | (1) | (1) | 10,844 | 19,645 | 20,385 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | |
| On securities..... | (1) | (1) | (1) | (1) | (1) | (1) | 18,031 | 6,104 | 6,324 |
| On loans..... | (1) | (1) | (1) | (1) | (1) | (1) | 46,487 | 72,978 | 56,250 |
| Average assets and liabilities¹ | | | | | | | | | |
| Assets—total..... | 83,666,451 | 103,370,189 | 123,168,863 | 145,217,438 | 151,896,770 | 148,170,261 | 150,726,513 | 151,566,078 | 158,986,894 |
| Cash and due from banks..... | 25,922,701 | 26,774,094 | 28,042,727 | 31,236,090 | 33,286,775 | 34,279,792 | 36,247,026 | 35,683,829 | 36,006,423 |
| United States Government obligations..... | 29,231,826 | 50,315,698 | 67,231,161 | 82,417,236 | 81,835,381 | 70,229,835 | 64,291,298 | 63,080,739 | 63,846,830 |
| Other securities..... | 6,802,771 | 6,321,794 | 6,088,482 | 6,623,089 | 7,556,923 | 8,315,081 | 8,872,676 | 9,387,984 | 11,043,342 |
| Loans and discounts..... | 20,030,625 | 18,380,838 | 20,310,112 | 23,500,772 | 27,768,296 | 33,863,334 | 39,650,962 | 41,670,879 | 46,250,272 |
| All other assets..... | 1,678,528 | 1,577,765 | 1,496,381 | 1,440,251 | 1,449,395 | 1,482,219 | 1,664,551 | 1,742,647 | 1,840,027 |
| Liabilities and capital—total..... | 83,666,451 | 103,370,189 | 123,168,863 | 145,217,438 | 151,896,770 | 148,170,261 | 150,726,513 | 151,566,078 | 158,986,894 |
| Total deposits..... | 76,134,514 | 95,506,221 | 114,682,390 | 135,948,387 | 141,829,678 | 137,537,907 | 139,517,461 | 139,764,394 | 146,269,294 |
| Demand deposits..... | 60,245,967 | 77,878,606 | 93,267,114 | 108,968,917 | 109,890,600 | 108,159,254 | 104,195,063 | 103,862,159 | 109,822,688 |
| Time and savings deposits..... | 15,888,547 | 17,627,615 | 21,415,276 | 26,979,470 | 31,939,078 | 33,378,653 | 35,322,398 | 35,902,235 | 36,446,606 |
| Borrowings and other liabilities..... | 580,544 | 617,535 | 768,280 | 934,381 | 1,057,079 | 1,104,386 | 1,257,852 | 1,380,578 | 1,710,204 |
| Total capital accounts..... | 6,951,393 | 7,246,433 | 7,718,193 | 8,334,670 | 9,010,013 | 9,527,968 | 9,951,200 | 10,421,106 | 11,007,396 |
| Number of active officers, December 31..... | 54,925 | 55,309 | 56,494 | 59,119 | 62,697 | 65,740 | 67,609 | 69,439 | 71,566 |
| Number of other employees, December 31..... | 216,473 | 225,647 | 229,377 | 245,275 | 271,395 | 284,072 | 292,015 | 296,308 | 312,324 |
| Number of banks, December 31..... | 13,347 | 13,274 | 13,268 | 13,302 | 13,359 | 13,403 | 13,419 | 13,436 | 13,446 |

Note: Due to rounding, earnings data of State banks for 1949 and 1950 may not add precisely to the indicated totals.

¹ Not available.

² Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures: See the Annual Report for 1941, pp. 158-159.

Table 112. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1942-1950

| Earnings or expense item | 1942 | 1943 | 1944 | 1945 | 1946 | 1947 | 1948 | 1949 | 1950 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Amounts per \$100 of current operating earnings | | | | | | | | | |
| Current operating earnings—total..... | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | \$100.00 |
| Interest on U. S. Government obligations..... | 34.08 | 43.96 | 49.22 | 45.64 | 42.56 | 34.85 | 29.62 | 28.10 | 25.83 |
| Interest and dividends on other securities..... | | | | 6.74 | 6.17 | 5.79 | 5.57 | 5.59 | 5.74 |
| Income on loans..... | 45.61 | 36.02 | 31.52 | 29.27 | 33.22 | 41.39 | 47.01 | 48.79 | 51.08 |
| Service charges on deposit accounts..... | 4.71 | 4.87 | 4.85 | 4.42 | 4.36 | 4.77 | 5.11 | 5.38 | 5.40 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 3.08 | 3.45 | 3.54 | 3.65 | 3.42 | 3.14 | 2.86 | 2.65 | 2.66 |
| Other current operating earnings..... | 12.52 | 11.70 | 10.87 | 10.28 | 10.27 | 10.06 | 9.83 | 9.49 | 9.29 |
| Current operating expenses—total | 68.25 | 64.10 | 61.25 | 61.35 | 61.57 | 63.98 | 63.57 | 63.32 | 62.19 |
| Salaries, wages, and fees..... | 31.50 | 30.31 | 28.88 | 28.42 | 29.62 | 31.19 | 31.30 | 31.42 | 31.20 |
| Interest on time and savings deposits..... | 9.76 | 8.36 | 8.43 | 9.40 | 9.38 | 9.63 | 9.30 | 9.10 | 8.73 |
| Taxes other than on net income..... | 5.42 | 5.10 | 4.39 | 3.98 | 3.36 | 3.34 | 3.12 | 3.15 | 3.26 |
| Recurring depreciation on banking house, furniture and fixtures..... | 2.23 | 2.04 | 1.89 | 1.62 | 1.43 | 1.36 | 1.42 | 1.50 | 1.51 |
| Other current operating expenses..... | 19.34 | 18.29 | 17.66 | 17.93 | 17.78 | 18.46 | 18.43 | 18.15 | 17.49 |
| Net current operating earnings | 31.75 | 35.90 | 38.75 | 38.65 | 38.43 | 36.02 | 36.43 | 36.68 | 37.81 |
| Amounts per \$100 of total assets¹ | | | | | | | | | |
| Current operating earnings—total..... | 2.14 | 1.90 | 1.80 | 1.71 | 1.88 | 2.09 | 2.26 | 2.38 | 2.47 |
| Current operating expenses—total..... | 1.46 | 1.22 | 1.10 | 1.05 | 1.16 | 1.34 | 1.44 | 1.51 | 1.54 |
| Net current operating earnings..... | .68 | .68 | .70 | .66 | .72 | .75 | .82 | .87 | .93 |
| Recoveries, transfers from reserve accounts, and profits—total..... | .26 | .34 | .29 | .35 | .27 | .18 | .18 | .14 | .16 |
| Losses, charge-offs, and transfers to reserve accounts—total..... | .32 | .28 | .22 | .18 | .18 | .20 | .32 | .25 | .23 |
| Net profits before income taxes..... | .62 | .74 | .77 | .83 | .81 | .73 | .68 | .76 | .86 |
| Net profits after income taxes..... | .53 | .62 | .61 | .62 | .59 | .53 | .49 | .55 | .59 |
| Amounts per \$100 of total capital accounts¹ | | | | | | | | | |
| Net current operating earnings..... | 8.18 | 9.71 | 11.12 | 11.51 | 12.21 | 11.71 | 12.46 | 12.70 | 13.50 |
| Recoveries, transfers from reserve accounts, and profits—total..... | 3.20 | 4.87 | 4.69 | 6.11 | 4.53 | 2.75 | 2.68 | 2.04 | 2.23 |
| Losses, charge-offs, and transfers to reserve accounts—total..... | 3.90 | 4.01 | 3.45 | 3.16 | 3.14 | 3.09 | 4.88 | 3.64 | 3.33 |
| Net profits before income taxes..... | 7.48 | 10.57 | 12.36 | 14.46 | 13.60 | 11.37 | 10.26 | 11.10 | 12.40 |
| Taxes on net income..... | 1.14 | 1.75 | 2.63 | 3.59 | 3.59 | 3.17 | 2.77 | 3.12 | 3.89 |
| Net profits after income taxes..... | 6.34 | 8.82 | 9.73 | 10.87 | 10.01 | 8.20 | 7.49 | 7.98 | 8.51 |
| Cash dividends declared..... | 3.28 | 3.23 | 3.28 | 3.29 | 3.32 | 3.31 | 3.33 | 3.40 | 3.55 |
| Net additions to capital from profits..... | 3.06 | 5.59 | 6.45 | 7.58 | 6.69 | 4.89 | 4.16 | 4.58 | 4.96 |

| | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Special ratios¹ | | | | | | | | | |
| Income on loans per \$100 of loans..... | 4.08 | 3.85 | 3.44 | 3.09 | 3.43 | 3.79 | 4.04 | 4.22 | 4.34 |
| Income on securities per \$100 of securities..... | 1.69 | 1.52 | 1.49 | 1.46 | 1.56 | 1.60 | 1.64 | 1.68 | 1.66 |
| Service charges per \$100 of demand deposits... | .14 | .12 | .12 | .10 | .11 | .14 | .17 | .19 | .19 |
| Interest paid per \$100 of time and savings deposits..... | 1.10 | .93 | .87 | .87 | .84 | .87 | .90 | .91 | .94 |
| Assets and liabilities per \$100 of total assets¹ | | | | | | | | | |
| Assets—total..... | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Cash and due from banks..... | 30.98 | 25.91 | 22.77 | 21.51 | 21.91 | 23.14 | 24.05 | 23.55 | 22.65 |
| United States Government obligations..... | 34.94 | 48.70 | 54.59 | 56.76 | 53.88 | 47.40 | 42.65 | 41.62 | 40.16 |
| Other securities..... | 8.13 | 6.11 | 4.94 | 4.56 | 4.98 | 5.61 | 5.89 | 6.19 | 6.94 |
| Loans and discounts..... | 23.94 | 17.75 | 16.49 | 16.18 | 18.28 | 22.85 | 26.31 | 27.49 | 29.09 |
| All other assets..... | 2.01 | 1.53 | 1.21 | .99 | .95 | 1.00 | 1.10 | 1.15 | 1.16 |
| Liabilities and capital—total..... | 100.00 |
| Total deposits..... | 91.00 | 92.39 | 93.11 | 93.62 | 93.37 | 92.82 | 92.56 | 92.21 | 92.00 |
| <i>Demand deposits.....</i> | <i>72.01</i> | <i>75.39</i> | <i>75.72</i> | <i>75.04</i> | <i>72.34</i> | <i>69.62</i> | <i>69.13</i> | <i>68.52</i> | <i>69.08</i> |
| <i>Time and savings deposits.....</i> | <i>18.99</i> | <i>17.00</i> | <i>17.39</i> | <i>18.58</i> | <i>21.03</i> | <i>23.20</i> | <i>23.43</i> | <i>23.69</i> | <i>22.92</i> |
| Borrowings and other liabilities..... | .69 | .60 | .62 | .64 | .70 | .75 | .84 | .91 | 1.08 |
| Total capital accounts..... | 8.31 | 7.01 | 6.27 | 5.74 | 5.93 | 6.43 | 6.60 | 6.88 | 6.92 |
| Number of banks, December 31..... | 13,347 | 13,274 | 13,268 | 13,302 | 13,359 | 13,403 | 13,419 | 13,436 | 13,446 |

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Table 113. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1950
BY CLASS OF BANK
 (Amounts in thousands of dollars)

| Earnings or expense item | Total | Members F. R. System | | Not members F. R. System | Operating throughout the year | Operating less than full year ¹ |
|--|------------------|----------------------|------------------|--------------------------|-------------------------------|--|
| | | National | State | | | |
| Current operating earnings—total | 3,930,696 | 2,185,946 | 1,078,236 | 666,514 | 3,912,166 | 18,530 |
| Interest on United States Government obligations..... | 1,015,456 | 588,733 | 276,061 | 150,662 | 1,011,315 | 4,141 |
| Interest and dividends on other securities..... | 225,425 | 132,093 | 58,049 | 35,283 | 224,239 | 1,186 |
| Interest and discount on loans..... | 1,976,100 | 1,099,861 | 507,919 | 368,320 | 1,969,519 | 6,581 |
| Service charges and fees on bank's loans..... | 31,724 | 17,749 | 8,317 | 5,658 | 31,608 | 116 |
| Service charges on deposit accounts..... | 212,272 | 119,216 | 53,273 | 39,783 | 211,444 | 828 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 104,602 | 45,492 | 25,255 | 33,855 | 104,187 | 415 |
| Trust department..... | 180,674 | 70,078 | 100,439 | 10,157 | 176,717 | 3,957 |
| Other current operating earnings..... | 184,445 | 112,724 | 48,924 | 22,797 | 183,137 | 1,308 |
| Current operating expenses—total | 2,444,534 | 1,332,609 | 686,715 | 425,210 | 2,431,565 | 12,969 |
| Salaries—officers..... | 446,043 | 229,596 | 115,122 | 101,325 | 443,494 | 2,549 |
| Salaries and wages—employees..... | 755,681 | 420,115 | 234,998 | 100,568 | 751,946 | 3,735 |
| Fees paid to directors and members of executive, discount, and other committees..... | 24,745 | 11,760 | 5,687 | 7,298 | 24,622 | 123 |
| Interest on time and savings deposits..... | 343,040 | 189,458 | 81,316 | 72,266 | 341,740 | 1,300 |
| Interest and discount on borrowed money..... | 4,296 | 1,747 | 2,148 | 401 | 4,292 | 4 |
| Taxes other than on net income..... | 128,101 | 74,265 | 34,577 | 19,259 | 127,589 | 512 |
| Recurring depreciation on banking house, furniture and fixtures..... | 59,469 | 33,467 | 14,546 | 11,456 | 59,238 | 231 |
| Other current operating expenses..... | 683,159 | 372,201 | 198,322 | 112,636 | 678,643 | 4,516 |
| Net current operating earnings | 1,486,164 | 853,337 | 391,521 | 241,306 | 1,480,602 | 5,562 |
| Recoveries, transfers from reserve accounts, and profits—total | 245,461 | 153,514 | 65,056 | 26,891 | 241,739 | 3,722 |
| On securities: | | | | | | |
| Recoveries..... | 14,718 | 9,670 | 3,118 | 1,930 | 14,109 | 609 |
| Transfers from reserve accounts..... | 38,639 | 23,999 | 7,800 | 7,800 | 37,682 | 957 |
| Profits on securities sold or redeemed..... | 90,469 | 60,920 | 21,228 | 8,321 | 89,645 | 824 |
| On loans: | | | | | | |
| Recoveries..... | 28,506 | 15,220 | 7,328 | 5,958 | 28,369 | 137 |
| Transfers from reserve accounts..... | 29,971 | 13,333 | 13,627 | 3,011 | 29,701 | 270 |
| All other..... | 43,157 | 25,372 | 11,955 | 5,830 | 42,230 | 927 |

| | | | | | | |
|---|-------------|------------|------------|------------|-----------|-------|
| Losses, charge-offs, and transfers to reserve accounts—total | 366,932 | 215,646 | 97,985 | 53,301 | 364,815 | 2,117 |
| On securities: | | | | | | |
| Losses and charge-offs..... | 38,721 | 24,005 | 8,618 | 6,098 | 38,205 | 516 |
| Transfers to reserve accounts..... | 54,518 | 41,360 | 9,573 | 3,585 | 54,475 | 43 |
| On loans: | | | | | | |
| Losses and charge-offs..... | 23,030 | 10,842 | 3,426 | 8,762 | 22,865 | 165 |
| Transfers to reserve accounts..... | 191,248 | 109,094 | 57,174 | 24,980 | 190,879 | 369 |
| All other..... | 59,414 | 30,345 | 19,194 | 9,875 | 58,391 | 1,023 |
| Net profits before income taxes | 1,364,690 | 791,205 | 358,591 | 214,894 | 1,357,525 | 7,165 |
| Taxes on net income—total | 427,776 | 254,641 | 114,419 | 58,716 | 425,958 | 1,818 |
| Federal..... | 402,582 | 241,100 | 105,809 | 55,673 | 400,869 | 1,713 |
| State..... | 25,194 | 13,541 | 8,610 | 3,043 | 25,089 | 105 |
| Net profits after income taxes | 936,915 | 536,564 | 244,172 | 156,179 | 931,567 | 5,348 |
| Dividends and interest on capital—total | 391,249 | 228,991 | 116,531 | 45,727 | 389,962 | 1,287 |
| Dividends declared on preferred stock and interest on capital notes and debentures..... | 4,333 | 709 | 2,126 | 1,498 | 4,320 | 13 |
| Cash dividends declared on common stock..... | 386,916 | 228,282 | 114,405 | 44,229 | 385,644 | 1,272 |
| Net additions to capital from profits | 545,666 | 307,573 | 127,641 | 110,452 | 541,605 | 4,061 |
| Memoranda | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | |
| On securities..... | 3,565 | 1,839 | 1,197 | 529 | 3,565 | |
| On loans..... | 20,385 | 12,962 | 4,054 | 3,369 | 20,237 | 148 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | |
| On securities..... | 6,324 | 2,815 | 2,093 | 516 | 6,324 | |
| On loans..... | 56,250 | 33,543 | 12,786 | 9,921 | 56,050 | 200 |
| Average assets and liabilities¹ | | | | | | |
| Assets—total | 158,986,894 | 92,219,693 | 45,373,169 | 21,394,032 | | |
| Cash and due from banks..... | 36,006,423 | 21,557,337 | 10,514,449 | 3,934,637 | | |
| United States Government obligations..... | 63,846,830 | 37,098,448 | 17,393,067 | 8,855,315 | | |
| Other securities..... | 11,043,342 | 6,611,148 | 2,753,418 | 1,678,776 | | |
| Loans and discounts..... | 46,250,272 | 25,875,572 | 13,651,281 | 6,723,419 | | |
| All other assets..... | 1,840,027 | 1,077,188 | 560,954 | 201,885 | | |
| Liabilities and capital—total | 158,986,894 | 92,219,693 | 45,373,169 | 21,394,032 | | |
| Total deposits..... | 146,269,294 | 84,941,214 | 41,602,291 | 19,725,789 | | |
| Demand deposits..... | 109,322,638 | 64,850,449 | 32,029,662 | 12,872,527 | | |
| Time and savings deposits..... | 36,946,656 | 20,090,765 | 9,572,629 | 6,853,262 | | |
| Borrowings and other liabilities..... | 1,710,204 | 1,140,553 | 446,448 | 123,203 | | |
| Total capital accounts..... | 11,007,396 | 6,137,926 | 3,324,430 | 1,545,040 | | |
| Number of active officers, December 30..... | 71,566 | 34,263 | 14,693 | 22,610 | 71,225 | 341 |
| Number of other employees, December 30..... | 312,324 | 172,089 | 91,539 | 48,696 | 311,211 | 1,113 |
| Number of banks, December 30..... | 13,446 | 4,958 | 1,912 | 6,576 | 13,370 | 76 |

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Includes banks operating less than full year and trust companies not engaged in deposit banking.

² Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures: See Table 111, p. 250. See also the Annual Report for 1949, pp. 160-165, and earlier reports.

Table 114. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1950
BY CLASS OF BANK

| Earnings or expense item | Total | Members F. R. System | | Not members F. R. System |
|--|-----------------|----------------------|-----------------|--------------------------|
| | | National | State | |
| Amounts per \$100 of current operating earnings | | | | |
| Current operating earnings—total | \$100.00 | \$100.00 | \$100.00 | \$100.00 |
| Interest on United States Government obligations..... | 25.83 | 26.93 | 25.61 | 22.60 |
| Interest and dividends on other securities..... | 5.74 | 6.04 | 5.38 | 5.29 |
| Income on loans..... | 51.08 | 51.13 | 47.88 | 56.11 |
| Service charges on deposit accounts..... | 5.40 | 5.46 | 4.94 | 5.97 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 2.66 | 2.08 | 2.34 | 5.08 |
| Other current operating earnings..... | 9.29 | 8.36 | 13.85 | 4.95 |
| Current operating expenses—total | 62.19 | 60.96 | 63.69 | 63.80 |
| Salaries, wages, and fees..... | 31.20 | 30.26 | 33.00 | 31.39 |
| Interest on time and savings deposits..... | 8.73 | 8.67 | 7.54 | 10.84 |
| Taxes other than on net income..... | 3.26 | 3.40 | 3.21 | 2.89 |
| Recurring depreciation on banking house, furniture and fixtures..... | 1.51 | 1.53 | 1.35 | 1.72 |
| Other current operating expenses..... | 17.49 | 17.10 | 18.59 | 16.96 |
| Net current operating earnings | 37.81 | 39.04 | 36.31 | 36.20 |
| Amounts per \$100 of total assets¹ | | | | |
| Current operating earnings—total..... | 2.47 | 2.37 | 2.37 | 3.12 |
| Current operating expenses—total..... | 1.54 | 1.45 | 1.51 | 1.99 |
| Net current operating earnings..... | .93 | .92 | .86 | 1.13 |
| Recoveries, transfers from reserve accounts, and profits—total..... | .16 | .17 | .14 | .12 |
| Losses, charge-offs, and transfers to reserve accounts—total..... | .23 | .23 | .21 | .25 |
| Net profits before income taxes..... | .86 | .86 | .79 | 1.00 |
| Net profits after income taxes..... | .59 | .58 | .54 | .73 |
| Memoranda | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | |
| On securities..... | (3) | (3) | (3) | (3) |
| On loans..... | .01 | .01 | .01 | .02 |
| Losses charged to reserve accounts (not included in losses above): | | | | |
| On securities..... | (3) | (3) | .01 | (3) |
| On loans..... | .04 | .04 | .08 | .05 |

| Amounts per \$100 of total capital accounts¹ | | | | |
|---|---------------|---------------|---------------|---------------|
| Net current operating earnings..... | 13.50 | 13.90 | 11.78 | 15.62 |
| Recoveries, transfers from reserve accounts, and profits—total..... | 2.23 | 2.50 | 1.96 | 1.74 |
| Losses, charge-offs, and transfers to reserve accounts—total..... | 3.33 | 3.51 | 2.95 | 3.45 |
| Net profits before income taxes..... | 12.40 | 12.89 | 10.79 | 13.91 |
| Taxes on net income..... | 3.89 | 4.15 | 3.44 | 3.80 |
| Net profits after income taxes..... | 8.51 | 8.74 | 7.35 | 10.11 |
| Cash dividends declared..... | 3.55 | 3.73 | 3.51 | 2.96 |
| Net additions to capital from profits..... | 4.96 | 5.01 | 3.84 | 7.15 |
| Memoranda | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | |
| On securities..... | .03 | .03 | .04 | .03 |
| On loans..... | .19 | .21 | .12 | .22 |
| Losses charged to reserve accounts (not included in losses above): | | | | |
| On securities..... | .06 | .05 | .09 | .03 |
| On loans..... | .51 | .55 | .38 | .64 |
| Special ratios¹ | | | | |
| Income on loans per \$100 of loans..... | 4.34 | 4.32 | 3.78 | 5.56 |
| Income on securities per \$100 of securities..... | 1.66 | 1.65 | 1.62 | 1.77 |
| Service charges per \$100 of demand deposits..... | .19 | .18 | .17 | .31 |
| Interest paid per \$100 of time and savings deposits..... | .94 | .94 | .86 | 1.05 |
| Assets and liabilities per \$100 of total assets¹ | | | | |
| Assets—total..... | 100.00 | 100.00 | 100.00 | 100.00 |
| Cash and due from banks..... | 22.65 | 23.37 | 23.17 | 18.39 |
| United States Government obligations..... | 40.16 | 40.23 | 39.43 | 41.39 |
| Other securities..... | 6.94 | 7.17 | 6.07 | 7.85 |
| Loans and discounts..... | 29.09 | 28.06 | 30.09 | 31.43 |
| All other assets..... | 1.16 | 1.17 | 1.24 | .94 |
| Liabilities and capital—total..... | 100.00 | 100.00 | 100.00 | 100.00 |
| Total deposits..... | 92.00 | 92.11 | 91.69 | 92.20 |
| <i>Demand deposits.....</i> | <i>69.08</i> | <i>70.32</i> | <i>70.75</i> | <i>60.17</i> |
| <i>Time and savings deposits.....</i> | <i>22.92</i> | <i>21.79</i> | <i>20.94</i> | <i>32.03</i> |
| Borrowings and other liabilities..... | 1.08 | 1.24 | .93 | .58 |
| Total capital accounts..... | 6.92 | 6.65 | 7.33 | 7.22 |
| Number of banks, December 30..... | 13,446 | 4,958 | 1,912 | 6,576 |

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

² Less than .005

Back figures: See Table 112, p. 252. See also the Annual Report for 1949, pp. 166-167, and earlier reports.

Table 115. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1950
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

| Earnings or expense item | Banks with deposits of— ¹ | | | | | | | | |
|--|--------------------------------------|-------------------|--------------------------|----------------------------|----------------------------|-----------------------------|------------------------------|-------------------------------|-------------------------|
| | All banks ¹ | \$500,000 or less | \$500,000 to \$1,000,000 | \$1,000,000 to \$2,000,000 | \$2,000,000 to \$5,000,000 | \$5,000,000 to \$10,000,000 | \$10,000,000 to \$50,000,000 | \$50,000,000 to \$100,000,000 | More than \$100,000,000 |
| | (Amounts in thousands of dollars) | | | | | | | | |
| Current operating earnings—total | 3,912,166 | 8,194 | 50,029 | 155,256 | 403,709 | 376,995 | 753,877 | 288,169 | 1,875,935 |
| Interest on United States Government obligations..... | 1,011,315 | 1,351 | 10,878 | 36,884 | 100,203 | 94,911 | 195,101 | 73,101 | 498,887 |
| Interest and dividends on other securities..... | 224,239 | 264 | 1,768 | 6,894 | 22,097 | 22,196 | 42,924 | 13,824 | 114,274 |
| Interest and discount on loans..... | 1,969,519 | 5,220 | 29,935 | 89,863 | 226,714 | 203,099 | 379,757 | 143,275 | 891,657 |
| Service charges and fees on bank's loans..... | 31,608 | 83 | 295 | 666 | 2,077 | 2,610 | 5,673 | 2,534 | 17,671 |
| Service charges on deposit accounts..... | 211,444 | 389 | 2,608 | 8,434 | 24,324 | 26,486 | 53,230 | 17,229 | 78,695 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 104,187 | 718 | 3,639 | 9,040 | 16,627 | 11,851 | 19,220 | 6,977 | 36,115 |
| Trust department..... | 176,717 | 3 | 15 | 149 | 1,484 | 4,085 | 22,756 | 14,108 | 134,118 |
| Other current operating earnings..... | 183,137 | 168 | 891 | 3,277 | 10,183 | 11,756 | 35,220 | 17,123 | 104,519 |
| Current operating expenses—total | 2,431,565 | 5,363 | 31,184 | 94,909 | 250,829 | 238,725 | 489,574 | 187,565 | 1,133,416 |
| Salaries—officers..... | 443,494 | 2,303 | 12,182 | 31,811 | 68,151 | 52,141 | 86,487 | 29,952 | 160,467 |
| Salaries and wages—employees..... | 751,946 | 663 | 4,231 | 15,653 | 51,850 | 60,000 | 143,912 | 61,485 | 414,148 |
| Fees paid to directors and members of executive, discount, and other committees..... | 24,622 | 119 | 807 | 2,464 | 6,021 | 4,164 | 5,393 | 1,357 | 4,297 |
| Interest on time and savings deposits..... | 341,740 | 424 | 3,684 | 13,992 | 41,895 | 40,977 | 77,831 | 23,557 | 139,333 |
| Interest and discount on borrowed money..... | 4,292 | 5 | 35 | 79 | 184 | 125 | 427 | 233 | 3,204 |
| Taxes other than on net income..... | 127,589 | 269 | 1,448 | 4,553 | 12,522 | 12,008 | 25,116 | 9,467 | 62,207 |
| Recurring depreciation on banking house, furniture and fixtures..... | 59,238 | 111 | 731 | 2,493 | 7,612 | 7,340 | 14,312 | 5,406 | 21,233 |
| Other current operating expenses..... | 678,643 | 1,470 | 8,067 | 23,860 | 62,595 | 61,969 | 136,046 | 56,108 | 328,527 |
| Net current operating earnings | 1,480,602 | 2,832 | 18,845 | 60,347 | 152,880 | 133,270 | 264,305 | 100,605 | 742,519 |
| Recoveries, transfers from reserve accounts, and profits—total | 241,739 | 266 | 1,563 | 4,661 | 11,957 | 13,167 | 34,860 | 13,171 | 162,094 |
| On securities: | | | | | | | | | |
| Recoveries..... | 14,109 | 5 | 73 | 416 | 1,225 | 1,946 | 2,814 | 910 | 6,721 |
| Transfers from reserve accounts..... | 37,682 | 1 | 24 | 117 | 464 | 615 | 2,531 | 530 | 33,400 |
| Profits on securities sold or redeemed..... | 89,645 | 48 | 200 | 680 | 2,648 | 3,523 | 12,106 | 5,821 | 64,619 |
| On loans: | | | | | | | | | |
| Recoveries..... | 28,369 | 164 | 888 | 2,189 | 3,980 | 3,100 | 5,712 | 2,395 | 9,943 |
| Transfers from reserve accounts..... | 29,701 | 8 | 89 | 231 | 1,036 | 1,265 | 3,419 | 1,236 | 22,366 |
| All other..... | 42,230 | 41 | 287 | 1,023 | 2,603 | 2,717 | 8,279 | 2,230 | 25,045 |
| Losses, charge-offs, and transfers to reserve accounts—total | 364,815 | 548 | 3,371 | 10,456 | 28,977 | 30,577 | 63,933 | 25,662 | 201,291 |
| On securities: | | | | | | | | | |
| Losses and charge-offs..... | 38,205 | 46 | 296 | 1,170 | 3,862 | 4,679 | 8,211 | 3,978 | 15,961 |
| Transfers to reserve accounts..... | 54,475 | 2 | 55 | 331 | 706 | 1,280 | 3,659 | 995 | 47,448 |
| On loans: | | | | | | | | | |
| Losses and charge-offs..... | 22,865 | 348 | 1,591 | 3,825 | 6,181 | 3,387 | 3,642 | 1,316 | 2,575 |
| Transfers to reserve accounts..... | 190,879 | 89 | 916 | 3,439 | 13,168 | 15,708 | 36,242 | 15,656 | 105,663 |
| All other..... | 58,391 | 64 | 514 | 1,692 | 5,059 | 5,521 | 12,179 | 3,718 | 29,644 |

| | | | | | | | | | |
|---|-------------|---------|-----------|-----------|------------|------------|------------|------------|------------|
| Net profits before income taxes..... | 1,357,525 | 2,549 | 17,036 | 54,552 | 135,861 | 120,861 | 235,231 | 88,114 | 703,322 |
| Taxes on net income—total..... | 425,958 | 522 | 3,465 | 11,447 | 33,740 | 35,726 | 73,190 | 29,072 | 238,797 |
| Federal..... | 400,869 | 483 | 3,224 | 10,719 | 32,165 | 34,359 | 70,318 | 27,384 | 221,771 |
| State..... | 25,089 | 38 | 241 | 729 | 1,575 | 1,368 | 2,873 | 1,288 | 17,026 |
| Net profits after income taxes..... | 931,567 | 2,029 | 13,571 | 43,105 | 102,121 | 85,135 | 162,041 | 59,043 | 464,525 |
| Dividends and interest on capital—total..... | 389,962 | 643 | 3,936 | 12,217 | 30,510 | 26,495 | 55,019 | 21,574 | 239,570 |
| Dividends declared on preferred stock and interest on capital notes and debentures..... | 4,320 | 12 | 60 | 137 | 372 | 555 | 1,083 | 859 | 1,287 |
| Cash dividends declared on common stock..... | 385,644 | 631 | 3,875 | 12,080 | 30,138 | 25,941 | 53,981 | 20,715 | 238,283 |
| Net additions to capital from profits..... | 541,605 | 1,386 | 9,636 | 30,888 | 71,610 | 58,639 | 107,023 | 37,469 | 224,955 |
| Memoranda | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | |
| On securities..... | 3,565 | 1 | 1 | 18 | 52 | 70 | 617 | 154 | 2,653 |
| On loans..... | 20,237 | 24 | 150 | 434 | 2,059 | 2,204 | 4,060 | 1,427 | 9,829 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | |
| On securities..... | 6,324 | 2 | 17 | 59 | 87 | 116 | 775 | 134 | 5,134 |
| On loans..... | 56,050 | 53 | 425 | 1,547 | 5,241 | 6,194 | 10,954 | 4,300 | 27,337 |
| Average assets and liabilities¹ | | | | | | | | | |
| Assets—total..... | 165,765,708 | 220,194 | 1,511,028 | 5,043,086 | 14,101,155 | 13,695,963 | 29,021,723 | 12,034,538 | 90,138,021 |
| Cash and due from banks..... | 39,398,895 | 60,789 | 351,043 | 1,125,103 | 3,059,271 | 2,878,682 | 6,280,528 | 2,871,231 | 22,772,248 |
| United States Government obligations..... | 61,097,487 | 73,616 | 591,086 | 2,034,148 | 5,679,074 | 5,576,355 | 11,782,165 | 4,634,451 | 30,726,592 |
| Other securities..... | 12,010,300 | 9,024 | 75,742 | 300,318 | 1,072,546 | 1,187,493 | 2,373,245 | 880,314 | 6,161,618 |
| Loans and discounts..... | 51,349,902 | 75,079 | 484,479 | 1,551,320 | 4,182,413 | 3,931,846 | 8,253,560 | 3,543,287 | 29,327,918 |
| All other assets..... | 1,909,124 | 1,686 | 8,678 | 32,197 | 107,851 | 121,587 | 332,225 | 155,255 | 1,149,645 |
| Liabilities and capital—total..... | 165,765,708 | 220,194 | 1,511,028 | 5,043,086 | 14,101,155 | 13,695,963 | 29,021,723 | 12,034,538 | 90,138,021 |
| Total deposits..... | 152,566,709 | 194,395 | 1,370,572 | 4,621,965 | 13,032,104 | 12,705,787 | 26,988,463 | 11,225,071 | 82,428,352 |
| Demand deposits..... | 116,141,365 | 153,607 | 1,040,553 | 3,331,179 | 8,956,652 | 8,437,725 | 18,355,537 | 3,566,233 | 67,294,879 |
| Time and savings deposits..... | 36,425,344 | 35,788 | 330,019 | 1,290,786 | 4,075,452 | 4,268,062 | 8,632,926 | 2,658,838 | 15,133,473 |
| Borrowings and other liabilities..... | 2,001,651 | 646 | 3,374 | 11,016 | 37,727 | 54,149 | 179,301 | 97,107 | 1,618,331 |
| Total capital accounts..... | 11,197,348 | 25,153 | 137,082 | 410,105 | 1,031,324 | 936,027 | 1,853,959 | 712,360 | 6,091,338 |
| Number of active officers, December 30..... | 71,225 | 1,007 | 4,246 | 9,006 | 15,358 | 9,464 | 12,325 | 3,604 | 16,215 |
| Number of other employees, December 30..... | 311,211 | 561 | 2,987 | 9,472 | 26,671 | 27,941 | 63,435 | 26,607 | 153,537 |
| Number of banks, December 30..... | 13,370 | 530 | 1,850 | 3,222 | 4,189 | 1,847 | 1,376 | 161 | 195; |

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ This group of banks is the same as the group shown in Table 113 under the heading "Operating throughout the year."

² Deposits are as of December 30, 1950.

³ Asset and liability items are averages of figures reported at beginning, middle, and end of year for banks submitting reports to FDIC and are as of December 30, 1950, for banks not submitting reports to FDIC.

Back figures: See the Annual Report for 1949, pp. 168-169, and earlier reports.

Table 116. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1950
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

| Earnings or expense item | Banks with deposits of— ¹ | | | | | | | | |
|--|--------------------------------------|-------------------|--------------------------|----------------------------|----------------------------|-----------------------------|------------------------------|-------------------------------|-------------------------|
| | All banks ² | \$500,000 or less | \$500,000 to \$1,000,000 | \$1,000,000 to \$2,000,000 | \$2,000,000 to \$5,000,000 | \$5,000,000 to \$10,000,000 | \$10,000,000 to \$50,000,000 | \$50,000,000 to \$100,000,000 | More than \$100,000,000 |
| Amounts per \$100 of current operating earnings | | | | | | | | | |
| Current operating earnings—total | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 |
| Interest on United States Government obligations... | 25.85 | 16.48 | 21.75 | 23.76 | 24.82 | 25.17 | 25.88 | 25.37 | 26.60 |
| Interest and dividends on other securities..... | 5.73 | 3.22 | 3.53 | 4.44 | 5.47 | 5.89 | 5.69 | 4.80 | 6.09 |
| Income on loans..... | 51.15 | 64.72 | 60.43 | 58.31 | 56.67 | 54.57 | 51.13 | 50.60 | 48.47 |
| Service charges on deposit accounts..... | 5.41 | 4.74 | 5.21 | 5.46 | 6.03 | 7.03 | 7.06 | 5.98 | 4.19 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 2.66 | 8.76 | 7.27 | 5.82 | 4.12 | 3.14 | 2.55 | 2.42 | 1.93 |
| Other current operating earnings..... | 9.20 | 2.08 | 1.81 | 2.21 | 2.89 | 4.20 | 7.69 | 10.83 | 12.72 |
| Current operating expenses—total | 62.15 | 65.44 | 62.33 | 61.13 | 62.13 | 63.32 | 64.94 | 65.09 | 60.42 |
| Salaries, wages, and fees..... | 31.19 | 37.64 | 34.42 | 32.16 | 31.22 | 30.85 | 31.28 | 32.20 | 30.86 |
| Interest on time and savings deposits..... | 8.73 | 5.17 | 7.36 | 9.01 | 10.38 | 10.87 | 10.33 | 8.17 | 7.43 |
| Taxes other than on net income..... | 3.26 | 3.28 | 2.89 | 2.93 | 3.10 | 3.18 | 3.33 | 3.29 | 3.32 |
| Recurring depreciation on banking house, furniture and fixtures..... | 1.51 | 1.35 | 1.46 | 1.61 | 1.88 | 1.95 | 1.90 | 1.88 | 1.13 |
| Other current operating expenses..... | 17.46 | 18.00 | 16.20 | 15.42 | 15.55 | 16.47 | 18.10 | 19.55 | 17.63 |
| Net current operating earnings | 37.85 | 34.56 | 37.67 | 38.87 | 37.87 | 36.68 | 35.06 | 34.91 | 39.58 |
| Amounts per \$100 of total assets³ | | | | | | | | | |
| Current operating earnings—total..... | 2.36 | 3.72 | 3.31 | 3.08 | 2.86 | 2.75 | 2.60 | 2.39 | 2.08 |
| Current operating expenses—total..... | 1.47 | 2.43 | 2.06 | 1.88 | 1.78 | 1.74 | 1.69 | 1.56 | 1.26 |
| Net current operating earnings..... | .89 | 1.29 | 1.25 | 1.20 | 1.08 | 1.01 | .91 | .83 | .82 |
| Recoveries, transfers from reserve accounts, and profits—total..... | .15 | .12 | .10 | .09 | .08 | .09 | .12 | .11 | .18 |
| Losses, charge-offs, and transfers to reserve accounts—total..... | .22 | .25 | .22 | .21 | .20 | .22 | .22 | .21 | .22 |
| Net profits before income taxes..... | .82 | 1.16 | 1.13 | 1.08 | .96 | .88 | .81 | .73 | .78 |
| Net profits after income taxes..... | .56 | .92 | .90 | .85 | .72 | .62 | .56 | .49 | .52 |
| Memoranda | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | |
| On securities..... | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) |
| On loans..... | .01 | .01 | .01 | .01 | .01 | .02 | .01 | .01 | .01 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | |
| On securities..... | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | (⁴) | .01 |
| On loans..... | .03 | .02 | .03 | .03 | .04 | .05 | .04 | .04 | .03 |

| Amounts per \$100 of total capital accounts ² | | | | | | | | | |
|---|---------------|------------------|------------------|------------------|---------------|---------------|---------------|---------------|---------------|
| Net current operating earnings..... | 13.22 | 11.26 | 13.75 | 14.72 | 14.82 | 14.77 | 14.26 | 14.12 | 12.19 |
| Recoveries, transfers from reserve accounts, and profits—total..... | 2.16 | 1.06 | 1.14 | 1.13 | 1.16 | 1.41 | 1.88 | 1.85 | 2.66 |
| Losses, charge-offs, and transfers to reserve accounts—total..... | 3.26 | 2.18 | 2.46 | 2.55 | 2.81 | 3.27 | 3.45 | 3.60 | 3.30 |
| Net profits before income taxes..... | 12.12 | 10.14 | 12.43 | 13.30 | 13.17 | 12.91 | 12.69 | 12.37 | 11.55 |
| Taxes on net income..... | 3.80 | 2.07 | 2.53 | 2.79 | 3.27 | 3.81 | 3.95 | 4.08 | 3.92 |
| Net profits after income taxes..... | 8.32 | 8.07 | 9.90 | 10.51 | 9.90 | 9.10 | 8.74 | 8.29 | 7.63 |
| Cash dividends declared..... | 3.48 | 2.56 | 2.87 | 2.98 | 2.96 | 2.83 | 2.97 | 3.03 | 3.94 |
| Net additions to capital from profits..... | 4.84 | 5.51 | 7.03 | 7.53 | 6.94 | 6.27 | 5.77 | 5.26 | 3.69 |
| Memoranda | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | |
| On securities..... | .03 | (⁴) | (⁴) | (⁴) | .01 | .01 | .03 | .02 | .04 |
| On loans..... | .18 | .10 | .11 | .12 | .20 | .24 | .22 | .20 | .16 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | |
| On securities..... | .06 | .01 | .01 | .01 | .01 | .01 | .04 | .02 | .08 |
| On loans..... | .50 | .21 | .31 | .38 | .51 | .66 | .59 | .60 | .45 |
| Special ratios³ | | | | | | | | | |
| Income on loans per \$100 of loans..... | 3.90 | 7.06 | 6.24 | 5.84 | 5.47 | 5.23 | 4.67 | 4.12 | 3.10 |
| Income on securities per \$100 of securities..... | 1.69 | 1.95 | 1.90 | 1.88 | 1.81 | 1.73 | 1.68 | 1.59 | 1.66 |
| Service charges per \$100 of demand deposits..... | .18 | .25 | .25 | .25 | .27 | .31 | .29 | .20 | .12 |
| Interest paid per \$100 of time and savings deposits..... | .94 | 1.18 | 1.12 | 1.08 | 1.03 | .96 | .90 | .89 | .92 |
| Assets and liabilities per \$100 of total assets³ | | | | | | | | | |
| Assets—total..... | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Cash and due from banks..... | 23.77 | 27.61 | 23.23 | 22.31 | 21.70 | 21.02 | 21.64 | 23.86 | 25.26 |
| United States Government obligations..... | 36.86 | 33.43 | 39.12 | 40.33 | 40.27 | 40.71 | 40.60 | 38.51 | 34.09 |
| Other securities..... | 7.24 | 4.10 | 5.01 | 5.96 | 7.61 | 8.67 | 8.18 | 6.90 | 6.84 |
| Loans and discounts..... | 30.98 | 34.10 | 32.06 | 30.76 | 29.66 | 28.71 | 28.44 | 29.44 | 32.54 |
| All other assets..... | 1.15 | .76 | .58 | .64 | .76 | .89 | 1.14 | 1.29 | 1.27 |
| Liabilities and capital—total..... | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Total deposits..... | 92.04 | 88.28 | 90.71 | 91.65 | 92.42 | 92.77 | 92.99 | 93.27 | 91.45 |
| Demand deposits..... | 70.07 | 72.03 | 68.87 | 66.05 | 63.52 | 61.61 | 63.25 | 71.18 | 74.66 |
| Time and savings deposits..... | 21.97 | 16.25 | 21.84 | 25.60 | 28.90 | 31.16 | 29.74 | 22.09 | 16.79 |
| Borrowings and other liabilities..... | 1.21 | .30 | .22 | .22 | .27 | .40 | .62 | .81 | 1.79 |
| Total capital accounts..... | 6.75 | 11.42 | 9.07 | 8.13 | 7.31 | 6.83 | 6.39 | 5.92 | 6.76 |
| Number of banks, December 30..... | 13,370 | 530 | 1,850 | 3,222 | 4,189 | 1,847 | 1,376 | 161 | 195 |

¹ This group of banks is the same as the group shown in Table 113 under the heading "Operating throughout the year." These ratios differ slightly from the ratios for all insured commercial banks shown in Tables 112 and 114.

² Deposits are as of December 30, 1950.

³ Asset and liability items are averages of figures reported at beginning, middle, and end of year for banks submitting reports to FDIC and are as of December 30, 1950, for banks not submitting reports to FDIC.

⁴ Less than .005.

Back figures: See the Annual Report for 1949, pp. 170-171, and earlier reports.

Table 117. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, BY STATE, 1950

(Amounts in thousands of dollars)

| Earnings or expense item | U. S. and possessions | Possessions | | United States | Alabama | Arizona | Arkansas | California | Colorado | Connecticut | Delaware |
|--|-----------------------|--------------|--------------------|------------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|
| | | Puerto Rico | Other ¹ | | | | | | | | |
| Current operating earnings—total | 3,930,696 | 5,845 | 2,180 | 3,922,671 | 38,138 | 15,933 | 22,891 | 435,665 | 30,408 | 44,656 | 14,265 |
| Interest on United States Government obligations..... | 1,015,456 | 500 | 456 | 1,014,500 | 6,990 | 2,351 | 5,285 | 86,603 | 7,859 | 10,193 | 3,404 |
| Interest and dividends on other securities..... | 225,425 | 553 | 51 | 224,821 | 2,347 | 609 | 1,634 | 20,001 | 1,072 | 2,122 | 820 |
| Interest and discount on loans..... | 1,976,100 | 3,520 | 1,023 | 1,971,557 | 22,207 | 9,637 | 11,225 | 256,556 | 15,916 | 21,304 | 6,596 |
| Service charges and fees on bank's loans..... | 31,724 | 224 | 62 | 31,438 | 359 | 326 | 61 | 7,576 | 178 | 181 | 79 |
| Service charges on deposit accounts..... | 212,272 | 114 | 60 | 212,098 | 2,140 | 1,234 | 1,510 | 27,529 | 2,778 | 3,180 | 269 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 104,602 | 782 | 453 | 103,367 | 1,839 | 318 | 2,126 | 7,383 | 636 | 659 | 130 |
| Trust department..... | 180,674 | 2 | ..... | 180,672 | 822 | 359 | 190 | 12,856 | 978 | 4,599 | 2,634 |
| Other current operating earnings..... | 184,445 | 151 | 75 | 184,219 | 1,434 | 1,096 | 862 | 17,162 | 992 | 2,419 | 334 |
| Current operating expenses—total | 2,444,534 | 4,494 | 1,438 | 2,438,602 | 21,321 | 10,640 | 13,311 | 270,060 | 17,552 | 30,171 | 7,532 |
| Salaries—officers..... | 446,043 | 728 | 275 | 445,040 | 5,081 | 1,789 | 3,798 | 37,492 | 3,925 | 5,950 | 1,742 |
| Salaries and wages—employees..... | 755,681 | 1,360 | 528 | 753,793 | 6,011 | 3,982 | 3,295 | 88,517 | 5,488 | 9,346 | 2,198 |
| Fees paid to directors and members of executive, discount, and other committees..... | 24,745 | 66 | 33 | 24,646 | 263 | 36 | 310 | 705 | 274 | 314 | 148 |
| Interest on time and savings deposits..... | 343,040 | 521 | 189 | 342,330 | 2,576 | 857 | 871 | 68,301 | 2,007 | 3,902 | 792 |
| Interest and discount on borrowed money..... | 4,296 | 121 | ..... | 4,175 | 15 | ..... | 10 | 92 | 20 | 39 | 4 |
| Taxes other than on net income..... | 128,101 | 395 | 30 | 127,676 | 458 | 350 | 666 | 14,182 | 448 | 1,129 | 223 |
| Recurring depreciation on banking house, furniture and fixtures..... | 59,469 | 152 | 51 | 59,266 | 678 | 271 | 367 | 5,470 | 397 | 920 | 228 |
| Other current operating expenses..... | 683,159 | 1,152 | 333 | 681,674 | 6,239 | 3,356 | 3,994 | 55,300 | 4,993 | 8,571 | 2,198 |
| Net current operating earnings | 1,486,164 | 1,351 | 742 | 1,484,071 | 16,817 | 5,292 | 9,580 | 165,605 | 12,857 | 14,485 | 6,732 |
| Recoveries, transfers from reserve accounts, and profits—total | 245,461 | 359 | 66 | 245,036 | 1,107 | 715 | 831 | 16,433 | 1,252 | 2,098 | 279 |
| On securities: | | | | | | | | | | | |
| Recoveries..... | 14,718 | ..... | 14 | 14,704 | 13 | 5 | 112 | 1,440 | 369 | 179 | 9 |
| Transfers from reserve accounts..... | 38,639 | ..... | ..... | 38,639 | 6 | 300 | 37 | 1,725 | 15 | 35 | 16 |
| Profits on securities sold or redeemed..... | 90,469 | 245 | 20 | 90,204 | 241 | 273 | 145 | 3,874 | 221 | 616 | 106 |
| On loans: | | | | | | | | | | | |
| Recoveries..... | 28,506 | 104 | 27 | 28,375 | 321 | 29 | 258 | 1,363 | 401 | 389 | 114 |
| Transfers from reserve accounts..... | 29,971 | ..... | ..... | 29,971 | 28 | 5 | 17 | 2,051 | 35 | 107 | 5 |
| All other..... | 43,157 | 10 | 4 | 43,143 | 499 | 103 | 263 | 5,982 | 211 | 772 | 28 |
| Losses, charge-offs, and transfers to reserve accounts—total | 366,932 | 622 | 285 | 366,025 | 3,692 | 1,871 | 1,410 | 26,410 | 2,343 | 3,932 | 553 |
| On securities: | | | | | | | | | | | |
| Losses and charge-offs..... | 38,721 | 22 | 13 | 38,686 | 142 | 140 | 329 | 2,634 | 463 | 232 | 37 |
| Transfers to reserve accounts..... | 54,518 | 236 | ..... | 54,282 | 9 | 50 | 10 | 5,516 | 3 | 127 | 15 |
| On loans: | | | | | | | | | | | |
| Losses and charge-offs..... | 23,030 | 250 | 20 | 22,760 | 758 | 1 | 358 | 745 | 412 | 49 | 109 |
| Transfers to reserve accounts..... | 191,248 | 15 | 169 | 191,064 | 2,144 | 1,407 | 434 | 14,091 | 1,012 | 2,352 | 242 |
| All other..... | 59,414 | 100 | 83 | 59,231 | 638 | 272 | 280 | 3,424 | 452 | 1,174 | 150 |
| Net profits before income taxes | 1,364,690 | 1,088 | 523 | 1,363,079 | 14,233 | 4,136 | 9,001 | 155,628 | 11,765 | 12,649 | 6,458 |

| | | | | | | | | | | | |
|---|-------------|---------|--------|-------------|-----------|---------|---------|------------|-----------|-----------|---------|
| Taxes on net income—total | 427,776 | 11 | 177 | 427,588 | 5,088 | 1,409 | 2,181 | 63,417 | 4,159 | 4,147 | 2,320 |
| Federal..... | 402,582 | 18 | 171 | 402,393 | 4,890 | 1,282 | 2,181 | 58,269 | 3,656 | 3,704 | 2,320 |
| State..... | 25,194 | 7 | 6 | 25,195 | 697 | 128 | ..... | 5,149 | 503 | 443 | ..... |
| Net profits after income taxes | 936,915 | 1,077 | 346 | 935,492 | 9,145 | 2,727 | 6,820 | 92,212 | 7,607 | 8,503 | 4,137 |
| Dividends and interest on capital—total | 391,249 | 609 | 95 | 390,545 | 3,308 | 1,010 | 2,062 | 51,183 | 2,324 | 4,089 | 2,323 |
| Dividends declared on preferred stock and interest on capital notes and debentures..... | 4,333 | ..... | 3 | 4,330 | 1 | 21 | 6 | 341 | 4 | 7 | 1 |
| Cash dividends declared on common stock..... | 386,916 | 609 | 92 | 386,215 | 3,307 | 989 | 2,056 | 50,843 | 2,320 | 4,082 | 2,322 |
| Net additions to capital from profits | 545,666 | 468 | 251 | 544,947 | 5,838 | 1,717 | 4,758 | 41,028 | 5,283 | 4,414 | 1,814 |
| Memoranda | | | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | | | |
| On securities..... | 3,565 | ..... | ..... | 3,565 | 2 | ..... | ..... | 859 | ..... | 1 | ..... |
| On loans..... | 20,385 | ..... | 45 | 20,340 | 186 | 409 | 41 | 3,333 | 171 | 274 | 17 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | | | |
| On securities..... | 6,324 | ..... | ..... | 6,324 | 2 | 42 | ..... | 1,359 | ..... | 14 | 3 |
| On loans..... | 56,250 | ..... | 50 | 56,200 | 572 | 1,443 | 135 | 9,124 | 534 | 678 | 101 |
| Average assets and liabilities² | | | | | | | | | | | |
| Assets—total | 158,986,894 | 158,359 | 63,458 | 158,765,077 | 1,311,586 | 462,945 | 855,146 | 14,514,711 | 1,225,112 | 1,628,876 | 553,463 |
| Cash and due from banks..... | 36,006,423 | 27,458 | 14,552 | 35,964,413 | 327,989 | 82,221 | 252,887 | 2,557,213 | 322,101 | 350,185 | 102,719 |
| United States Government obligations..... | 63,846,830 | 33,830 | 28,899 | 63,784,101 | 452,672 | 160,080 | 330,828 | 5,503,264 | 525,803 | 658,959 | 243,393 |
| Other securities..... | 11,043,342 | 25,190 | 3,513 | 11,014,639 | 116,333 | 32,834 | 69,087 | 1,009,389 | 47,755 | 145,304 | 39,474 |
| Loans and discounts..... | 46,250,272 | 63,816 | 15,873 | 46,170,583 | 400,112 | 180,356 | 197,089 | 5,247,527 | 322,272 | 452,562 | 157,087 |
| All other assets..... | 1,840,027 | 8,065 | 621 | 1,831,341 | 14,580 | 7,454 | 5,255 | 197,318 | 7,181 | 21,866 | 5,790 |
| Liabilities and capital—total | 158,986,894 | 158,359 | 63,458 | 158,765,077 | 1,311,586 | 462,945 | 855,146 | 14,514,711 | 1,225,112 | 1,628,876 | 553,463 |
| Total deposits..... | 146,269,294 | 134,690 | 59,877 | 146,074,727 | 1,212,272 | 435,230 | 796,276 | 13,445,497 | 1,146,315 | 1,497,411 | 498,460 |
| <i>Demand deposits</i> | 109,822,638 | 66,112 | 34,437 | 109,722,059 | 953,060 | 335,800 | 696,449 | 7,569,356 | 925,051 | 1,125,320 | 415,917 |
| <i>Time and savings deposits</i> | 36,446,656 | 68,518 | 25,440 | 36,352,668 | 259,212 | 99,430 | 99,827 | 5,876,141 | 221,264 | 371,591 | 82,543 |
| Borrowings and other liabilities..... | 1,710,204 | 9,500 | 152 | 1,700,552 | 8,588 | 4,566 | 2,039 | 230,939 | 5,120 | 10,031 | 3,639 |
| Total capital accounts..... | 11,007,396 | 14,169 | 3,429 | 10,989,798 | 90,726 | 23,149 | 56,831 | 838,275 | 73,677 | 121,434 | 51,864 |
| Number of active officers, December 30..... | 71,566 | 128 | 36 | 71,402 | 964 | 264 | 817 | 5,168 | 681 | 797 | 265 |
| Number of other employees, December 30.... | 312,324 | 955 | 182 | 311,187 | 2,813 | 1,738 | 1,654 | 30,873 | 2,482 | 4,053 | 962 |
| Number of banks, December 30..... | 13,446 | 7 | 7 | 13,432 | 225 | 10 | 222 | 191 | 144 | 92 | 37 |

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Includes 1 State bank and 4 national banks in Alaska, 1 State bank in Hawaii, and 1 national bank in the Virgin Islands, none of which is a member of the Federal Reserve System.

² Excess of tax refunds over tax payments.

³ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures: See the Annual Report for 1949, pp. 172-181, and earlier reports.

Table 117. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, BY STATE, 1950—Continued
(Amounts in thousands of dollars)

| Earnings or expense item | District of Columbia | Florida | Georgia | Idaho | Illinois | Indiana | Iowa | Kansas | Kentucky | Louisiana |
|--|----------------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|
| Current operating earnings—total..... | 28,610 | 50,948 | 56,722 | 13,858 | 270,454 | 80,345 | 60,834 | 38,861 | 42,216 | 45,013 |
| Interest on United States Government obligations..... | 8,133 | 14,713 | 8,335 | 3,455 | 97,213 | 26,131 | 16,071 | 9,755 | 11,123 | 11,366 |
| Interest and dividends on other securities.... | 914 | 2,622 | 2,421 | 275 | 20,770 | 3,507 | 3,163 | 2,208 | 1,687 | 3,585 |
| Interest and discount on loans..... | 13,147 | 21,049 | 33,735 | 8,223 | 103,163 | 38,220 | 32,839 | 21,074 | 23,900 | 21,556 |
| Service charges and fees on bank's loans.... | 170 | 196 | 696 | 203 | 2,930 | 451 | 174 | 263 | 243 | 54 |
| Service charges on deposit accounts..... | 2,338 | 5,217 | 3,269 | 983 | 13,598 | 4,163 | 4,338 | 2,675 | 1,649 | 2,647 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 745 | 2,389 | 4,122 | 264 | 4,055 | 2,367 | 1,931 | 910 | 617 | 2,848 |
| Trust department..... | 1,834 | 1,202 | 1,913 | 72 | 16,580 | 1,953 | 632 | 843 | 1,630 | 553 |
| Other current operating earnings..... | 1,330 | 3,561 | 2,230 | 383 | 12,147 | 3,552 | 1,687 | 1,635 | 1,367 | 2,403 |
| Current operating expenses—total..... | 18,189 | 31,889 | 35,904 | 8,558 | 169,578 | 51,930 | 36,681 | 22,346 | 23,770 | 28,986 |
| Salaries—officers..... | 3,077 | 6,074 | 7,474 | 1,914 | 30,066 | 10,256 | 10,188 | 6,821 | 5,919 | 5,488 |
| Salaries and wages—employees..... | 6,635 | 9,466 | 9,386 | 2,449 | 50,147 | 13,637 | 8,749 | 5,263 | 6,389 | 8,170 |
| Fees paid to directors and members of executive, discount, and other committees..... | 210 | 341 | 495 | 72 | 1,369 | 728 | 406 | 369 | 403 | 426 |
| Interest on time and savings deposits..... | 1,454 | 3,335 | 3,444 | 1,483 | 26,712 | 8,567 | 5,011 | 1,595 | 1,822 | 3,007 |
| Interest and discount on borrowed money.... | 6 | 27 | 40 | 8 | 303 | 7 | 5 | 7 | 52 | 18 |
| Taxes other than on net income..... | 1,282 | 1,125 | 2,783 | 204 | 8,642 | 4,521 | 1,278 | 982 | 1,886 | 2,578 |
| Recurring depreciation on banking house, furniture and fixtures..... | 543 | 1,345 | 905 | 281 | 3,221 | 1,131 | 865 | 457 | 596 | 844 |
| Other current operating expenses..... | 4,982 | 10,176 | 11,380 | 2,147 | 49,119 | 13,085 | 10,180 | 6,852 | 6,702 | 8,454 |
| Net current operating earnings..... | 10,422 | 19,059 | 20,818 | 5,300 | 100,877 | 28,415 | 24,154 | 16,516 | 18,446 | 16,027 |
| Recoveries, transfers from reserve accounts, and profits—total..... | 1,111 | 2,226 | 1,448 | 355 | 20,992 | 4,801 | 1,666 | 1,279 | 1,466 | 1,753 |
| On securities: | | | | | | | | | | |
| Recoveries..... | 2 | 195 | 67 | 90 | 1,202 | 161 | 115 | 124 | 135 | 23 |
| Transfers from reserve accounts..... | 13 | 126 | 4 | ..... | 980 | 1,300 | 14 | ..... | 5 | 501 |
| Profits on securities sold or redeemed.... | 155 | 965 | 520 | 124 | 6,981 | 773 | 396 | 311 | 428 | 359 |
| On loans: | | | | | | | | | | |
| Recoveries..... | 402 | 267 | 500 | 77 | 2,031 | 559 | 356 | 456 | 298 | 495 |
| Transfers from reserve accounts..... | 13 | 6 | 85 | 14 | 3,255 | 237 | 98 | 82 | 337 | 72 |
| All other..... | 526 | 667 | 273 | 51 | 6,541 | 1,722 | 688 | 305 | 263 | 302 |
| Losses, charge-offs, and transfers to reserve accounts—total..... | 1,707 | 2,299 | 3,903 | 711 | 30,946 | 9,008 | 3,962 | 2,978 | 3,838 | 3,945 |
| On securities: | | | | | | | | | | |
| Losses and charge-offs..... | 169 | 435 | 409 | 59 | 5,149 | 765 | 693 | 457 | 340 | 398 |
| Transfers to reserve accounts..... | 6 | 75 | 12 | ..... | 2,608 | 1,299 | 10 | 15 | 221 | 526 |
| On loans: | | | | | | | | | | |
| Losses and charge-offs..... | 19 | 250 | 431 | 63 | 996 | 389 | 377 | 691 | 378 | 364 |
| Transfers to reserve accounts..... | 792 | 1,000 | 2,213 | 505 | 16,828 | 3,156 | 2,013 | 1,088 | 2,270 | 1,502 |
| All other..... | 720 | 539 | 838 | 84 | 5,364 | 3,400 | 869 | 728 | 630 | 1,156 |
| Net profits before income taxes..... | 9,826 | 18,985 | 18,363 | 4,944 | 90,923 | 24,206 | 21,858 | 14,816 | 16,074 | 13,835 |

| | | | | | | | | | | |
|--|-----------|-----------|-----------|---------|------------|-----------|-----------|-----------|-----------|-----------|
| Taxes on net income—total | 3,465 | 5,596 | 5,988 | 1,813 | 25,522 | 6,893 | 5,428 | 3,978 | 4,648 | 4,006 |
| Federal..... | 3,465 | 5,596 | 5,988 | 1,480 | 25,522 | 6,893 | 5,428 | 3,978 | 4,648 | 4,006 |
| State..... | | | | 334 | | | | | | |
| Net profits after income taxes | 6,361 | 13,389 | 12,377 | 3,131 | 65,401 | 17,313 | 16,431 | 10,837 | 11,427 | 9,830 |
| Dividends and interest on capital—total .. | 2,913 | 3,055 | 4,966 | 768 | 23,182 | 4,830 | 4,409 | 2,806 | 3,836 | 2,845 |
| Dividends declared on preferred stock and interest on capital notes and debentures..... | | | 64 | 2 | 75 | 72 | 57 | 4 | 26 | 21 |
| Cash dividends declared on common stock.. | 2,913 | 3,055 | 4,902 | 767 | 23,106 | 4,759 | 4,352 | 2,802 | 3,810 | 2,824 |
| Net additions to capital from profits | 3,448 | 10,334 | 7,410 | 2,363 | 42,220 | 12,483 | 12,022 | 8,031 | 7,590 | 6,985 |
| Memoranda | | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | | |
| On securities..... | | 1 | 1 | | 36 | 19 | | | 8 | 8 |
| On loans..... | 138 | 66 | 349 | 18 | 915 | 658 | 137 | 221 | 245 | 99 |
| Losses charged to reserve accounts (not in- cluded in losses above): | | | | | | | | | | |
| On securities..... | | 1 | 5 | | 141 | 24 | 19 | | 53 | 15 |
| On loans..... | 364 | 434 | 708 | 62 | 1,681 | 1,077 | 458 | 555 | 635 | 465 |
| Average assets and liabilities¹ | | | | | | | | | | |
| Assets—total | 1,176,007 | 2,005,511 | 1,786,739 | 440,643 | 13,326,594 | 3,332,130 | 2,340,789 | 1,577,743 | 1,643,580 | 1,863,634 |
| Cash and due from banks..... | 282,278 | 505,928 | 474,162 | 83,633 | 3,077,508 | 731,243 | 494,541 | 400,598 | 400,554 | 501,368 |
| United States Government obligations..... | 510,329 | 933,773 | 525,613 | 185,916 | 6,206,191 | 1,614,438 | 914,524 | 598,091 | 663,544 | 740,319 |
| Other securities..... | 47,361 | 116,434 | 91,631 | 11,484 | 1,003,218 | 186,888 | 194,164 | 135,020 | 71,010 | 159,009 |
| Loans and discounts..... | 316,006 | 424,197 | 674,056 | 155,962 | 2,954,164 | 774,395 | 723,546 | 435,846 | 496,701 | 438,424 |
| All other assets..... | 20,033 | 25,179 | 21,277 | 3,648 | 85,513 | 25,166 | 14,014 | 8,188 | 11,771 | 24,514 |
| Liabilities and capital—total | 1,176,007 | 2,005,511 | 1,786,739 | 440,643 | 13,326,594 | 3,332,130 | 2,340,789 | 1,577,743 | 1,643,580 | 1,863,634 |
| Total deposits..... | 1,095,565 | 1,875,350 | 1,647,522 | 416,080 | 12,474,711 | 3,122,556 | 2,189,029 | 1,480,165 | 1,518,433 | 1,751,806 |
| Demand deposits..... | 875,931 | 1,526,919 | 1,330,486 | 315,526 | 9,319,653 | 2,233,264 | 1,676,747 | 1,325,332 | 1,291,974 | 1,464,921 |
| Time and savings deposits..... | 219,634 | 348,431 | 317,036 | 100,554 | 3,155,058 | 884,292 | 512,282 | 154,733 | 226,459 | 286,885 |
| Borrowings and other liabilities..... | 6,991 | 9,051 | 16,735 | 2,069 | 66,303 | 13,535 | 3,322 | 3,610 | 7,549 | 13,789 |
| Total capital accounts..... | 73,451 | 121,110 | 122,482 | 22,494 | 785,580 | 196,039 | 148,438 | 93,968 | 117,598 | 98,039 |
| Number of active officers, December 30..... | 361 | 1,054 | 1,374 | 304 | 4,361 | 2,052 | 2,077 | 1,540 | 1,379 | 879 |
| Number of other employees, December 30.... | 2,652 | 4,322 | 4,315 | 1,053 | 19,819 | 6,526 | 4,254 | 2,652 | 3,364 | 3,643 |
| Number of banks, December 30..... | 19 | 195 | 331 | 42 | 876 | 475 | 606 | 466 | 362 | 164 |

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures: See the Annual Report for 1949, pp. 172-181, and earlier reports.

Table 117. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, BY STATE, 1950—Continued

(Amounts in thousands of dollars)

| Earnings or expense item | Maine | Maryland | Massachusetts | Michigan | Minnesota | Mississippi | Missouri | Montana | Nebraska | Nevada | New Hampshire |
|--|---------------|---------------|----------------|----------------|---------------|---------------|----------------|---------------|---------------|--------------|---------------|
| Current operating earnings—total | 13,883 | 38,191 | 113,668 | 140,525 | 82,400 | 24,042 | 105,854 | 14,839 | 31,402 | 5,335 | 7,448 |
| Interest on United States Government obligations..... | 3,312 | 12,302 | 30,272 | 40,600 | 20,843 | 4,652 | 24,167 | 4,693 | 8,744 | 1,335 | 1,532 |
| Interest and dividends on other securities..... | 652 | 1,431 | 4,897 | 7,273 | 4,442 | 2,679 | 5,810 | 546 | 1,465 | 179 | 352 |
| Interest and discount on loans..... | 8,053 | 18,542 | 52,061 | 74,535 | 40,452 | 11,393 | 61,345 | 7,056 | 16,071 | 3,017 | 4,293 |
| Service charges and fees on bank's loans..... | 48 | 85 | 586 | 1,362 | 425 | 59 | 502 | 112 | 76 | 99 | 19 |
| Service charges on deposit accounts..... | 855 | 2,447 | 7,226 | 7,115 | 4,634 | 1,311 | 4,312 | 1,216 | 2,200 | 235 | 682 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 200 | 794 | 2,696 | 3,551 | 6,599 | 3,089 | 2,977 | 545 | 1,032 | 82 | 135 |
| Trust department..... | 387 | 1,129 | 8,693 | 2,076 | 2,114 | 117 | 3,027 | 62 | 353 | 152 | 121 |
| Other current operating earnings..... | 377 | 1,461 | 7,237 | 4,014 | 2,292 | 743 | 3,715 | 608 | 1,463 | 237 | 315 |
| Current operating expenses—total | 9,319 | 24,923 | 73,317 | 89,961 | 53,320 | 15,159 | 62,207 | 9,215 | 19,097 | 3,462 | 5,004 |
| Salaries—officers..... | 1,602 | 4,104 | 12,529 | 13,774 | 12,760 | 3,939 | 12,995 | 2,211 | 5,494 | 605 | 994 |
| Salaries and wages—employees..... | 2,445 | 7,391 | 24,039 | 28,180 | 14,150 | 3,725 | 19,009 | 2,286 | 4,685 | 1,057 | 1,221 |
| Fees paid to directors and members of executive, discount, and other committees..... | 171 | 420 | 712 | 827 | 677 | 243 | 698 | 67 | 292 | 11 | 97 |
| Interest on time and savings deposits..... | 1,972 | 3,940 | 7,014 | 18,440 | 8,986 | 1,169 | 6,254 | 762 | 1,154 | 776 | 931 |
| Interest and discount on borrowed money..... | 15 | 59 | 134 | 36 | 99 | 8 | 86 | 17 | 55 | ..... | 4 |
| Taxes other than on net income..... | 521 | 1,561 | 2,977 | 4,328 | 1,064 | 1,090 | 2,820 | 955 | 974 | 224 | 215 |
| Recurring depreciation on banking house, furniture and fixtures..... | 165 | 576 | 2,130 | 2,223 | 1,097 | 352 | 1,541 | 282 | 439 | 99 | 154 |
| Other current operating expenses..... | 2,428 | 6,872 | 23,784 | 22,154 | 14,490 | 4,635 | 18,803 | 2,637 | 6,002 | 690 | 1,387 |
| Net current operating earnings | 4,565 | 13,268 | 40,351 | 50,564 | 29,080 | 8,883 | 43,647 | 5,624 | 12,305 | 1,874 | 2,445 |
| Recoveries, transfers from reserve accounts, and profits—total | 596 | 1,897 | 9,115 | 4,141 | 2,261 | 767 | 4,271 | 1,320 | 2,512 | 84 | 321 |
| On securities: | | | | | | | | | | | |
| Recoveries..... | 81 | 237 | 231 | 170 | 296 | 116 | 1,436 | 386 | 62 | ..... | 127 |
| Transfers from reserve accounts..... | 3 | 333 | 1,946 | 110 | 104 | 42 | 206 | 205 | 1,197 | ..... | ..... |
| Profits on securities sold or redeemed..... | 181 | 646 | 2,861 | 1,283 | 360 | 133 | 1,351 | 53 | 738 | 14 | 50 |
| On loans: | | | | | | | | | | | |
| Recoveries..... | 128 | 250 | 1,104 | 410 | 860 | 189 | 634 | 461 | 237 | 14 | 60 |
| Transfers from reserve accounts..... | 88 | 287 | 1,859 | 1,844 | 61 | 34 | 142 | 103 | 71 | 46 | 27 |
| All other..... | 115 | 143 | 1,115 | 824 | 581 | 252 | 504 | 112 | 208 | 9 | 56 |
| Losses, charge-offs, and transfers to reserve accounts—total | 1,121 | 2,983 | 14,412 | 11,309 | 5,000 | 2,617 | 8,072 | 3,118 | 2,776 | 153 | 776 |
| On securities: | | | | | | | | | | | |
| Losses and charge-offs..... | 181 | 494 | 1,330 | 1,060 | 408 | 518 | 1,857 | 383 | 466 | 3 | 141 |
| Transfers to reserve accounts..... | 10 | 65 | 2,744 | 656 | 92 | 227 | 664 | 1,250 | 369 | ..... | 130 |
| On loans: | | | | | | | | | | | |
| Losses and charge-offs..... | 164 | 229 | 229 | 742 | 1,035 | 266 | 914 | 603 | 172 | 10 | 135 |
| Transfers to reserve accounts..... | 583 | 1,239 | 6,852 | 7,799 | 2,408 | 1,238 | 3,478 | 650 | 1,079 | 117 | 288 |
| All other..... | 182 | 956 | 3,256 | 1,051 | 1,058 | 368 | 1,159 | 233 | 691 | 24 | 82 |
| Net profits before income taxes | 4,041 | 12,181 | 35,055 | 43,397 | 26,341 | 7,033 | 39,848 | 3,826 | 12,041 | 1,804 | 1,989 |

| | | | | | | | | | | | |
|---|---------|-----------|-----------|-----------|-----------|---------|-----------|---------|-----------|---------|---------|
| Taxes on net income—total | 1,213 | 4,100 | 12,196 | 13,643 | 8,429 | 1,670 | 12,483 | 1,462 | 2,980 | 635 | 599 |
| Federal..... | 1,213 | 4,100 | 9,530 | 13,643 | 6,892 | 1,670 | 11,919 | 1,406 | 2,980 | 635 | 599 |
| State..... | | | 2,666 | | 1,537 | | 563 | 55 | | | |
| Net profits after income taxes | 2,829 | 8,081 | 22,858 | 29,754 | 17,912 | 5,363 | 27,365 | 2,365 | 9,062 | 1,169 | 1,389 |
| Dividends and interest on capital—total | 1,138 | 3,683 | 12,942 | 10,723 | 6,382 | 1,597 | 9,605 | 1,273 | 2,553 | 187 | 570 |
| Dividends declared on preferred stock and interest on capital notes and debentures..... | 9 | 28 | 19 | 186 | 51 | 57 | 58 | 5 | 3 | | |
| Cash dividends declared on common stock..... | 1,129 | 3,655 | 12,923 | 10,537 | 6,331 | 1,540 | 9,547 | 1,269 | 2,550 | 187 | 570 |
| Net additions to capital from profits | 1,690 | 4,398 | 9,917 | 19,031 | 11,530 | 3,766 | 17,760 | 1,092 | 6,508 | 982 | 820 |
| Memoranda | | | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | | | |
| On securities..... | | | 27 | | | | 46 | | 1 | | |
| On loans..... | 194 | 198 | 571 | 1,058 | 257 | 131 | 459 | 117 | 178 | 57 | 75 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | | | |
| On securities..... | 2 | 6 | 18 | 67 | 13 | 29 | 47 | | 31 | | 7 |
| On loans..... | 325 | 514 | 1,588 | 1,565 | 614 | 475 | 1,092 | 199 | 364 | 96 | 251 |
| Average assets and liabilities¹ | | | | | | | | | | | |
| Assets—total | 448,106 | 1,643,379 | 4,507,456 | 5,739,443 | 3,046,112 | 814,377 | 4,584,724 | 595,934 | 1,334,042 | 182,328 | 236,893 |
| Cash and due from banks..... | 81,139 | 358,689 | 963,192 | 1,133,606 | 667,797 | 213,796 | 1,192,740 | 140,987 | 338,750 | 51,316 | 52,544 |
| United States Government obligations..... | 180,163 | 784,264 | 1,861,140 | 2,658,876 | 1,215,989 | 268,842 | 1,595,569 | 298,614 | 548,663 | 84,274 | 82,815 |
| Other securities..... | 30,866 | 70,137 | 254,038 | 418,893 | 242,026 | 118,234 | 287,390 | 27,745 | 88,092 | 9,441 | 15,914 |
| Loans and discounts..... | 151,523 | 409,394 | 1,352,148 | 1,479,533 | 895,743 | 206,010 | 1,473,239 | 124,379 | 350,210 | 54,945 | 83,571 |
| All other assets..... | 4,415 | 20,905 | 76,938 | 48,535 | 24,557 | 7,445 | 35,786 | 4,209 | 8,347 | 2,352 | 2,049 |
| Liabilities and capital—total | 448,106 | 1,643,379 | 4,507,456 | 5,739,443 | 3,046,112 | 814,377 | 4,584,724 | 595,934 | 1,334,042 | 182,328 | 236,893 |
| Total deposits..... | 405,131 | 1,528,447 | 4,076,162 | 5,393,814 | 2,832,444 | 760,559 | 4,289,386 | 567,827 | 1,251,781 | 170,611 | 211,980 |
| Demand deposits..... | 229,672 | 1,101,456 | 3,330,994 | 3,233,361 | 1,967,961 | 627,333 | 3,533,040 | 469,512 | 1,113,932 | 109,644 | 145,646 |
| Time and savings deposits..... | 175,459 | 421,991 | 745,168 | 2,160,453 | 864,480 | 133,322 | 701,346 | 98,315 | 137,849 | 60,970 | 66,334 |
| Borrowings and other liabilities..... | 3,997 | 9,788 | 63,028 | 39,278 | 20,243 | 2,506 | 24,553 | 2,028 | 3,195 | 1,326 | 827 |
| Total capital accounts..... | 39,878 | 110,144 | 368,266 | 306,351 | 193,425 | 51,312 | 270,785 | 26,079 | 79,066 | 10,391 | 24,086 |
| Number of active officers, December 30..... | 305 | 822 | 1,600 | 1,951 | 2,547 | 806 | 2,488 | 415 | 1,181 | 104 | 206 |
| Number of other employees, December 30.... | 1,202 | 3,613 | 10,770 | 11,247 | 6,475 | 1,851 | 8,913 | 1,075 | 2,316 | 441 | 592 |
| Number of banks, December 30..... | 53 | 162 | 174 | 414 | 661 | 197 | 576 | 110 | 367 | 8 | 58 |

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures: See the Annual Report for 1949, pp. 172-181, and earlier reports.

Table 117. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, BY STATE, 1950—Continued

(Amounts in thousands of dollars)

| Earnings or expense item | New Jersey | New Mexico | New York | North Carolina | North Dakota | Ohio | Oklahoma | Oregon | Pennsylvania | Rhode Island | South Carolina |
|--|----------------|---------------|----------------|----------------|---------------|----------------|---------------|---------------|----------------|---------------|----------------|
| Current operating earnings—total | 130,812 | 10,913 | 715,367 | 53,601 | 13,373 | 190,149 | 47,986 | 39,393 | 301,269 | 18,088 | 18,537 |
| Interest on United States Government obligations..... | 40,125 | 1,982 | 192,224 | 9,802 | 4,271 | 55,456 | 9,904 | 9,884 | 83,445 | 5,851 | 4,258 |
| Interest and dividends on other securities..... | 9,716 | 230 | 41,699 | 2,868 | 490 | 11,672 | 2,396 | 2,681 | 26,657 | 458 | 1,004 |
| Interest and discount on loans..... | 60,457 | 7,068 | 321,343 | 29,334 | 5,350 | 90,607 | 28,197 | 20,737 | 136,250 | 8,952 | 9,364 |
| Service charges and fees on bank's loans..... | 408 | 322 | 5,673 | 776 | 105 | 1,158 | 157 | 196 | 1,087 | 10 | 30 |
| Service charges on deposit accounts..... | 8,436 | 597 | 31,438 | 2,948 | 941 | 9,609 | 3,349 | 3,052 | 10,348 | 813 | 1,465 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 1,625 | 278 | 13,887 | 4,487 | 1,796 | 3,633 | 1,051 | 801 | 4,314 | 186 | 1,702 |
| Trust department..... | 4,781 | 121 | 63,882 | 1,711 | 53 | 8,561 | 396 | 737 | 22,288 | 753 | 377 |
| Other current operating earnings..... | 5,265 | 366 | 45,721 | 1,677 | 370 | 9,454 | 2,539 | 1,305 | 16,883 | 1,065 | 339 |
| Current operating expenses—total | 90,732 | 6,376 | 436,924 | 32,396 | 7,814 | 122,456 | 26,505 | 25,508 | 186,621 | 12,597 | 10,722 |
| Salaries—officers..... | 13,959 | 1,481 | 67,298 | 7,471 | 2,190 | 18,468 | 7,525 | 4,828 | 31,135 | 1,657 | 2,754 |
| Salaries and wages—employees..... | 26,092 | 2,019 | 168,369 | 8,698 | 1,781 | 33,333 | 7,395 | 9,019 | 57,460 | 3,430 | 3,084 |
| Fees paid to directors and members of executive, discount, and other committees..... | 1,337 | 60 | 3,146 | 328 | 97 | 1,192 | 268 | 90 | 2,810 | 138 | 150 |
| Interest on time and savings deposits..... | 17,267 | 417 | 30,562 | 4,136 | 1,115 | 22,308 | 1,152 | 4,053 | 27,575 | 2,702 | 833 |
| Interest and discount on borrowed money..... | 86 | 4 | 2,198 | 77 | 1 | 149 | 24 | 19 | 171 | 4 | 5 |
| Taxes other than on net income..... | 5,195 | 263 | 16,770 | 1,233 | 242 | 14,067 | 588 | 593 | 9,784 | 923 | 166 |
| Recurring depreciation on banking house, furniture and fixtures..... | 3,104 | 208 | 7,206 | 928 | 154 | 2,982 | 885 | 909 | 5,241 | 298 | 357 |
| Other current operating expenses..... | 23,692 | 1,925 | 141,377 | 9,527 | 2,236 | 29,957 | 8,668 | 5,997 | 52,446 | 3,443 | 3,375 |
| Net current operating earnings | 40,080 | 4,539 | 278,442 | 21,205 | 5,560 | 67,693 | 21,482 | 13,886 | 114,647 | 5,491 | 7,815 |
| Recoveries, transfers from reserve accounts, and profits—total | 10,048 | 403 | 61,846 | 2,170 | 232 | 6,791 | 1,324 | 1,357 | 53,666 | 1,092 | 391 |
| On securities: | | | | | | | | | | | |
| Recoveries..... | 660 | 1 | 2,408 | 60 | 22 | 631 | 122 | 67 | 1,499 | 199 | 71 |
| Transfers from reserve accounts..... | 1,104 | | 13,096 | 66 | 39 | 492 | 7 | | 13,673 | 19 | 25 |
| Profits on securities sold or redeemed..... | 4,152 | 11 | 20,037 | 1,251 | 40 | 1,697 | 351 | 1,026 | 32,550 | 486 | 69 |
| On loans: | | | | | | | | | | | |
| Recoveries..... | 1,392 | 291 | 5,605 | 236 | 63 | 657 | 539 | 152 | 2,258 | 36 | 63 |
| Transfers from reserve accounts..... | 1,338 | 9 | 14,400 | 91 | 5 | 1,264 | 64 | 4 | 856 | 163 | 12 |
| All other..... | 1,401 | 93 | 6,299 | 465 | 63 | 2,049 | 241 | 108 | 2,831 | 189 | 151 |
| Losses, charge-offs, and transfers to reserve accounts—total | 10,790 | 1,149 | 68,250 | 4,178 | 971 | 14,801 | 3,055 | 3,270 | 57,214 | 1,293 | 1,249 |
| On securities: | | | | | | | | | | | |
| Losses and charge-offs..... | 1,558 | 36 | 3,902 | 805 | 98 | 1,046 | 333 | 684 | 3,779 | 18 | 218 |
| Transfers to reserve accounts..... | 955 | | 5,558 | 94 | 12 | 661 | 48 | | 28,017 | 4 | 4 |
| On loans: | | | | | | | | | | | |
| Losses and charge-offs..... | 705 | 317 | 1,496 | 219 | 97 | 548 | 776 | 61 | 1,528 | 32 | 136 |
| Transfers to reserve accounts..... | 6,034 | 620 | 47,008 | 2,427 | 509 | 10,385 | 1,290 | 1,835 | 18,924 | 883 | 720 |
| All other..... | 1,538 | 175 | 10,287 | 633 | 256 | 2,162 | 608 | 690 | 4,966 | 356 | 171 |
| Net profits before income taxes | 39,338 | 3,792 | 272,037 | 19,197 | 4,821 | 59,682 | 19,752 | 11,974 | 111,100 | 5,289 | 6,957 |

| | | | | | | | | | | | |
|--|------------------|----------------|-------------------|------------------|----------------|------------------|------------------|------------------|-------------------|----------------|----------------|
| Taxes on net income—total | 8,801 | 1,059 | 86,391 | 6,604 | 1,415 | 17,713 | 6,226 | 3,790 | 29,574 | 1,845 | 2,433 |
| Federal..... | 8,801 | 1,059 | 76,146 | 6,394 | 1,339 | 17,713 | 5,637 | 2,856 | 29,572 | 1,646 | 2,177 |
| State..... | | | 10,245 | 210 | 76 | | 590 | 934 | 2 | 198 | 256 |
| Net profits after income taxes | 30,538 | 2,733 | 185,647 | 12,594 | 3,405 | 41,970 | 13,526 | 8,184 | 81,525 | 3,445 | 4,524 |
| Dividends and interest on capital—total .. | 8,889 | 706 | 104,977 | 3,748 | 1,112 | 14,163 | 4,260 | 2,796 | 34,752 | 1,688 | 1,563 |
| Dividends declared on preferred stock and interest on capital notes and debentures.. | 1,117 | 2 | 1,346 | 15 | 4 | 143 | | 1 | 167 | | 9 |
| Cash dividends declared on common stock.. | 7,773 | 704 | 103,631 | 3,733 | 1,108 | 14,020 | 4,260 | 2,795 | 34,585 | 1,688 | 1,554 |
| Net additions to capital from profits | 21,649 | 2,027 | 80,671 | 8,846 | 2,293 | 27,807 | 9,266 | 5,388 | 46,773 | 1,757 | 2,962 |
| Memoranda | | | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | | | |
| On securities..... | 229 | | 1,732 | 12 | 1 | 213 | | | 213 | | |
| On loans..... | 482 | 140 | 3,720 | 92 | 100 | 780 | 264 | 103 | 1,004 | 36 | 70 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | | | |
| On securities..... | 146 | | 1,817 | 32 | | 190 | | | 603 | 4 | |
| On loans..... | 1,184 | 332 | 11,869 | 433 | 158 | 2,219 | 663 | 727 | 3,758 | 262 | 234 |
| Average assets and liabilities¹ | | | | | | | | | | | |
| Assets—total | 5,011,114 | 358,586 | 34,433,342 | 1,883,659 | 483,012 | 7,957,966 | 1,791,085 | 1,413,938 | 11,481,692 | 703,722 | 688,273 |
| Cash and due from banks..... | 810,075 | 106,517 | 8,335,155 | 474,243 | 81,195 | 1,625,914 | 540,098 | 289,218 | 2,319,800 | 115,864 | 179,344 |
| United States Government obligations..... | 2,374,837 | 125,317 | 12,894,784 | 606,146 | 265,580 | 3,521,545 | 634,166 | 556,146 | 4,778,187 | 345,928 | 267,845 |
| Other securities..... | 482,060 | 11,513 | 2,096,941 | 167,857 | 27,748 | 602,415 | 131,377 | 119,365 | 1,115,108 | 19,376 | 54,224 |
| Loans and discounts..... | 1,273,741 | 112,124 | 10,607,768 | 613,565 | 105,645 | 2,127,495 | 472,673 | 428,054 | 3,118,129 | 211,547 | 181,399 |
| All other assets..... | 70,401 | 3,115 | 498,694 | 21,848 | 2,844 | 80,597 | 12,771 | 21,155 | 150,468 | 11,007 | 5,461 |
| Liabilities and capital—total | 5,011,114 | 358,586 | 34,433,342 | 1,883,659 | 483,012 | 7,957,966 | 1,791,085 | 1,413,938 | 11,481,692 | 703,722 | 688,273 |
| Total deposits..... | 4,649,030 | 339,056 | 30,722,160 | 1,731,571 | 455,573 | 7,420,247 | 1,666,289 | 1,320,061 | 10,311,085 | 645,784 | 642,055 |
| <i>Demand deposits</i> | <i>2,615,248</i> | <i>293,189</i> | <i>26,498,865</i> | <i>1,336,364</i> | <i>344,370</i> | <i>4,784,599</i> | <i>1,538,800</i> | <i>945,945</i> | <i>7,225,104</i> | <i>430,939</i> | <i>558,855</i> |
| <i>Time and savings deposits</i> | <i>2,033,782</i> | <i>45,867</i> | <i>4,223,295</i> | <i>395,207</i> | <i>111,203</i> | <i>2,635,648</i> | <i>127,489</i> | <i>374,116</i> | <i>3,085,981</i> | <i>214,795</i> | <i>88,200</i> |
| Borrowings and other liabilities..... | 30,036 | 808 | 833,114 | 24,034 | 1,540 | 43,850 | 5,904 | 9,026 | 74,346 | 7,618 | 3,450 |
| Total capital accounts..... | 332,048 | 18,722 | 2,878,068 | 128,054 | 25,899 | 493,869 | 118,892 | 84,851 | 1,096,261 | 50,320 | 42,768 |
| Number of active officers, December 30..... | 2,122 | 261 | 6,868 | 1,291 | 479 | 3,125 | 1,506 | 823 | 4,900 | 232 | 546 |
| Number of other employees, December 30..... | 11,285 | 899 | 61,408 | 4,030 | 927 | 14,110 | 3,524 | 3,699 | 23,907 | 1,695 | 1,506 |
| Number of banks, December 30..... | 320 | 51 | 622 | 224 | 145 | 650 | 375 | 63 | 954 | 12 | 181 |

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures: See the Annual Report for 1949, pp. 172-181, and earlier reports.

Table 117. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, BY STATE, 1950—Continued

(Amounts in thousands of dollars)

| Earnings or expense item | South Dakota | Tennessee | Texas | Utah | Vermont | Virginia | Washington | West Virginia | Wisconsin | Wyoming |
|--|---------------|---------------|----------------|---------------|--------------|---------------|---------------|---------------|---------------|--------------|
| Current operating earnings—total | 15,192 | 59,216 | 183,803 | 18,500 | 9,474 | 60,888 | 57,425 | 28,455 | 75,362 | 7,465 |
| Interest on United States Government obligations..... | 3,811 | 11,535 | 36,262 | 3,823 | 1,546 | 12,617 | 11,829 | 7,820 | 24,965 | 1,712 |
| Interest and dividends on other securities... | 625 | 3,630 | 8,006 | 501 | 496 | 2,133 | 4,317 | 987 | 4,536 | 241 |
| Interest and discount on loans..... | 7,485 | 36,342 | 111,369 | 10,953 | 6,355 | 37,161 | 31,376 | 15,931 | 35,541 | 4,225 |
| Service charges and fees on bank's loans..... | 60 | 406 | 1,416 | 498 | 54 | 459 | 419 | 181 | 437 | 79 |
| Service charges on deposit accounts..... | 1,154 | 1,804 | 9,103 | 946 | 467 | 3,045 | 4,979 | 1,106 | 4,229 | 526 |
| Other service charges, commissions, fees, and collection and exchange charges..... | 1,523 | 2,151 | 4,724 | 674 | 128 | 1,301 | 1,506 | 564 | 1,771 | 228 |
| Trust department..... | 49 | 1,231 | 2,736 | 403 | 168 | 2,282 | 796 | 796 | 1,063 | 81 |
| Other current operating earnings..... | 487 | 2,117 | 10,188 | 704 | 260 | 1,892 | 1,672 | 1,072 | 2,319 | 374 |
| Current operating expenses—total | 9,074 | 35,092 | 108,532 | 10,935 | 6,913 | 37,717 | 37,235 | 16,520 | 50,254 | 4,285 |
| Salaries—officers..... | 2,784 | 6,846 | 25,765 | 2,001 | 1,045 | 7,518 | 7,036 | 3,378 | 10,733 | 1,115 |
| Salaries and wages—employees..... | 2,095 | 9,289 | 29,605 | 2,971 | 1,359 | 9,854 | 12,651 | 4,208 | 12,610 | 1,160 |
| Fees paid to directors and members of executive, discount, and other committees..... | 133 | 318 | 1,212 | 195 | 136 | 579 | 207 | 272 | 829 | 69 |
| Interest on time and savings deposits..... | 981 | 5,356 | 5,491 | 2,395 | 2,574 | 7,152 | 5,137 | 2,970 | 10,627 | 394 |
| Interest and discount on borrowed money..... | 2 | 107 | 34 | 11 | 3 | 26 | 14 | 27 | 45 | 7 |
| Taxes other than on net income..... | 222 | 2,523 | 10,179 | 200 | 146 | 2,006 | 969 | 726 | 1,193 | 226 |
| Recurring depreciation on banking house, furniture and fixtures..... | 216 | 912 | 3,416 | 230 | 146 | 1,346 | 1,167 | 542 | 1,286 | 158 |
| Other current operating expenses..... | 2,640 | 9,741 | 32,832 | 2,931 | 1,506 | 9,237 | 10,056 | 4,395 | 12,931 | 1,156 |
| Net current operating earnings | 6,119 | 24,124 | 75,271 | 7,565 | 2,561 | 23,171 | 20,191 | 11,936 | 25,108 | 3,181 |
| Recoveries, transfers from reserve accounts, and profits—total | 256 | 3,197 | 7,454 | 591 | 526 | 1,595 | 1,285 | 968 | 2,573 | 183 |
| On securities: | | | | | | | | | | |
| Recoveries..... | 16 | 578 | 556 | 10 | 36 | 116 | 36 | 33 | 198 | 5 |
| Transfers from reserve accounts..... | 46 | 303 | 432 | ..... | 5 | 13 | 32 | ..... | 110 | ..... |
| Profits on securities sold or redeemed..... | 46 | 1,255 | 804 | 221 | 144 | 373 | 441 | 228 | 836 | 29 |
| On loans: | | | | | | | | | | |
| Recoveries..... | 68 | 355 | 2,458 | 180 | 158 | 432 | 157 | 270 | 246 | 98 |
| Transfers from reserve accounts..... | 15 | 30 | 487 | 1 | 108 | 200 | 9 | 80 | 284 | ..... |
| All other..... | 110 | 676 | 2,716 | 180 | 75 | 462 | 610 | 357 | 900 | 52 |
| Losses, charge-offs, and transfers to reserve accounts—total | 1,138 | 6,449 | 18,265 | 1,087 | 789 | 3,339 | 5,518 | 2,030 | 4,689 | 664 |
| On securities: | | | | | | | | | | |
| Losses and charge-offs..... | 102 | 1,917 | 2,166 | 100 | 87 | 424 | 437 | 283 | 924 | 78 |
| Transfers to reserve accounts..... | 25 | 401 | 292 | ..... | 5 | 65 | 1,367 | 3 | 68 | ..... |
| On loans: | | | | | | | | | | |
| Losses and charge-offs..... | 97 | 475 | 3,361 | 193 | 187 | 633 | 180 | 313 | 353 | 154 |
| Transfers to reserve accounts..... | 776 | 2,255 | 9,213 | 561 | 453 | 1,752 | 2,733 | 962 | 2,698 | 261 |
| All other..... | 139 | 1,402 | 3,233 | 233 | 53 | 465 | 802 | 470 | 645 | 171 |
| Net profits before income taxes | 5,236 | 20,873 | 64,460 | 7,070 | 2,298 | 21,427 | 15,958 | 10,874 | 22,992 | 2,700 |

| | | | | | | | | | | |
|--|---------|-----------|-----------|---------|---------|-----------|-----------|-----------|-----------|---------|
| Taxes on net income—total | 1,581 | 6,032 | 20,290 | 2,691 | 559 | 6,646 | 3,988 | 3,569 | 6,085 | 834 |
| Federal..... | 1,448 | 5,933 | 20,290 | 2,520 | 493 | 6,646 | 3,988 | 3,569 | 5,943 | 834 |
| State..... | 133 | 99 | | 171 | 66 | | | | 142 | |
| Net profits after income taxes | 3,654 | 14,841 | 44,170 | 4,380 | 1,739 | 14,783 | 11,970 | 7,306 | 16,907 | 1,866 |
| Dividends and interest on capital—total .. | 1,214 | 4,533 | 15,691 | 1,550 | 659 | 5,294 | 4,053 | 2,475 | 5,355 | 512 |
| Dividends declared on preferred stock and interest on capital notes and debentures.. | 4 | 42 | 19 | 8 | 130 | 49 | 2 | 12 | 140 | 7 |
| Cash dividends declared on common stock.. | 1,210 | 4,491 | 15,672 | 1,542 | 530 | 5,245 | 4,051 | 2,463 | 5,216 | 506 |
| Net additions to capital from profits | 2,440 | 10,307 | 28,479 | 2,830 | 1,080 | 9,488 | 7,916 | 4,832 | 11,552 | 1,353 |
| Memoranda | | | | | | | | | | |
| Recoveries credited to reserve accounts (not included in recoveries above): | | | | | | | | | | |
| On securities..... | | 7 | 129 | | | 10 | | | 10 | |
| On loans..... | 52 | 342 | 1,241 | 80 | 129 | 244 | 337 | 137 | 339 | 79 |
| Losses charged to reserve accounts (not included in losses above): | | | | | | | | | | |
| On securities..... | | 1 | 133 | 185 | 3 | 9 | 1,263 | 1 | 38 | 2 |
| On loans..... | 107 | 504 | 4,304 | 174 | 197 | 773 | 817 | 341 | 866 | 175 |
| Average assets and liabilities¹ | | | | | | | | | | |
| Assets—total | 524,452 | 2,102,093 | 7,294,544 | 605,721 | 276,903 | 2,068,144 | 2,034,910 | 1,005,029 | 3,197,102 | 271,787 |
| Cash and due from banks..... | 105,895 | 530,424 | 2,290,277 | 137,828 | 42,508 | 475,508 | 458,643 | 227,051 | 623,627 | 73,565 |
| United States Government obligations..... | 245,299 | 681,357 | 2,291,817 | 224,070 | 81,448 | 753,155 | 733,826 | 442,321 | 1,496,577 | 111,814 |
| Other securities..... | 30,321 | 144,326 | 346,652 | 25,722 | 22,809 | 94,734 | 188,097 | 45,006 | 237,825 | 11,942 |
| Loans and discounts..... | 139,249 | 722,437 | 2,270,839 | 213,008 | 127,272 | 717,464 | 634,268 | 279,332 | 811,079 | 72,598 |
| All other assets..... | 3,688 | 23,549 | 94,959 | 5,093 | 2,866 | 27,283 | 20,076 | 11,319 | 27,994 | 1,868 |
| Liabilities and capital—total | 524,452 | 2,102,093 | 7,294,544 | 605,721 | 276,903 | 2,068,144 | 2,034,910 | 1,005,029 | 3,197,102 | 271,787 |
| Total deposits..... | 492,973 | 1,959,210 | 6,846,556 | 565,544 | 247,404 | 1,899,862 | 1,907,304 | 918,665 | 2,993,056 | 255,422 |
| Demand deposits..... | 408,146 | 1,499,467 | 6,189,689 | 383,446 | 95,372 | 1,275,526 | 1,379,497 | 660,608 | 1,753,983 | 209,185 |
| Time and savings deposits..... | 89,827 | 459,743 | 656,867 | 182,098 | 152,032 | 624,336 | 527,807 | 258,057 | 1,239,073 | 46,237 |
| Borrowings and other liabilities..... | 1,591 | 11,779 | 32,537 | 3,349 | 1,559 | 14,309 | 9,596 | 4,971 | 8,492 | 898 |
| Total capital accounts..... | 29,888 | 131,104 | 415,451 | 36,828 | 27,940 | 153,973 | 118,010 | 81,393 | 195,554 | 15,467 |
| Number of active officers, December 30..... | 633 | 1,374 | 4,451 | 322 | 241 | 1,494 | 1,083 | 645 | 2,027 | 217 |
| Number of other employees, December 30..... | 1,049 | 4,428 | 13,304 | 1,290 | 636 | 4,779 | 5,027 | 1,858 | 5,666 | 490 |
| Number of banks, December 30..... | 169 | 289 | 861 | 55 | 69 | 313 | 115 | 176 | 543 | 53 |

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures: See the Annual Report for 1949, pp. 172-181, and earlier reports.

Table 118. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED MUTUAL SAVINGS BANKS, 1942-1950
(Amounts in thousands of dollars)

| Earnings, expense, asset or liability item | 1942 | 1943 | 1944 | 1945 | 1946 | 1947 | 1948 | 1949 | 1950 |
|--|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Current operating earnings—total | 76,287 | 273,479 | 295,709 | 322,795 | 350,951 | 375,592 | 403,156 | 436,869 | 478,695 |
| Interest, discount, and other income on real estate loans..... | 31,212 | 137,950 | 140,002 | 141,001 | 142,538 | 151,174 | 166,308 | 191,372 | 231,730 |
| Interest, discount, and income on other loans..... | 1,119 | 1,241 | 1,260 | 1,627 | 1,893 | 2,114 | 2,477 | 2,615 | 3,193 |
| Interest on U. S. Government obligations, direct and guaranteed..... | 17,134 | 76,510 | 97,856 | 135,627 | 171,139 | 184,900 | 184,139 | 183,106 | 182,457 |
| Interest and dividends on other securities..... | 16,923 | 24,607 | 29,694 | 24,652 | 22,609 | 24,386 | 35,748 | 45,165 | 46,134 |
| Collection and exchange charges, commissions, and fees..... | 154 | 321 | 538 | 1,033 | 1,301 | 1,329 | 1,214 | 1,450 | 1,567 |
| Other current operating earnings..... | 9,745 | 32,850 | 26,359 | 18,855 | 11,471 | 11,639 | 13,270 | 13,161 | 13,609 |
| Current operating expenses—total | 24,520 | 87,847 | 86,575 | 77,705 | 85,523 | 93,613 | 100,768 | 104,187 | 115,470 |
| Salaries—officers..... | 2,715 | 9,467 | 10,093 | 10,567 | 11,967 | 13,271 | 14,267 | 15,181 | 16,434 |
| Salaries and wages—employees..... | 5,915 | 19,792 | 20,658 | 22,179 | 26,938 | 31,247 | 34,156 | 35,809 | 38,526 |
| Directors', trustees', and managers' fees ¹ | 389 | 1,704 | 1,903 | 855 | 1,045 | 1,142 | 1,211 | 1,313 | 1,620 |
| Taxes other than on net income..... | 5,104 | 17,015 | 14,838 | 8,410 | 7,243 | 6,891 | 6,418 | 6,411 | 7,025 |
| Recurring depreciation on banking house, furniture and fixtures..... | 743 | 3,046 | 3,359 | 2,649 | 2,574 | 2,550 | 2,705 | 3,127 | 2,887 |
| Other current operating expenses..... | 9,654 | 36,823 | 35,724 | 33,045 | 35,756 | 38,512 | 42,011 | 42,346 | 48,978 |
| Net current operating earnings | 51,767 | 185,632 | 209,134 | 245,090 | 265,428 | 281,979 | 302,388 | 332,682 | 363,225 |
| Dividends (interest) paid on deposits | 33,209 | 117,985 | 132,430 | 143,350 | 160,134 | 181,225 | 196,096 | 235,800 | 257,770 |
| Net operating earnings after dividends on deposits | 18,558 | 67,647 | 76,704 | 101,740 | 105,294 | 100,754 | 106,292 | 96,882 | 105,455 |
| Profits and recoveries on assets—total | 19,092 | 129,160 | 101,473 | 181,982 | 186,720 | 99,548 | 59,897 | 77,797 | 74,127 |
| Recoveries on securities ² | 5,164 | 40,402 | 31,423 | 47,560 | 34,920 | 32,443 | 14,514 | 20,094 | 21,759 |
| Profits on securities sold or exchanged..... | 7,112 | 31,376 | 30,677 | 79,389 | 89,554 | 27,770 | 6,705 | 33,205 | 24,344 |
| Recoveries on loans ³ | 653 | 11,094 | 14,763 | 4,055 | 2,097 | 1,266 | 411 | 443 | 303 |
| All other profits and recoveries ⁴ | 6,163 | 46,288 | 24,610 | 50,978 | 60,149 | 38,069 | 38,267 | 24,055 | 27,721 |
| Losses and charge-offs—total | 33,486 | 168,891 | 113,691 | 135,783 | 142,499 | 111,998 | 76,792 | 88,143 | 83,121 |
| On securities ⁴ | 10,379 | 32,818 | 17,625 | 36,635 | 72,320 | 58,587 | 23,872 | 30,861 | 23,333 |
| On loans ⁵ | 9,211 | 74,327 | 68,179 | 28,825 | 3,375 | 4,472 | 7,233 | 8,610 | 8,496 |
| All other ⁶ | 13,896 | 61,746 | 27,887 | 70,323 | 66,804 | 48,939 | 45,687 | 48,672 | 51,242 |

| | | | | | | | | | |
|---|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
| Net profits before income taxes..... | 4,164 | 27,916 | 64,486 | 147,939 | 149,515 | 88,304 | 89,397 | 86,536 | 96,461 |
| Taxes on net income..... | 33 | 345 | 122 | 2,034 | 5,759 | 5,992 | 4,501 | 4,341 | 5,061 |
| Net profits after income taxes..... | 4,131 | 27,571 | 64,364 | 145,905 | 143,756 | 82,312 | 84,896 | 82,195 | 91,400 |
| Interest on capital debentures..... | 318 | 294 | 482 | 271 | 264 | 248 | 234 | 230 | 225 |
| Net profits after interest and dividends.... | 3,813 | 27,277 | 63,882 | 145,634 | 143,492 | 82,064 | 84,662 | 81,965 | 91,175 |
| Average assets and liabilities ⁶ | | | | | | | | | |
| Assets—total..... | 2,089,328 | 7,945,687 | 9,164,873 | 10,636,400 | 12,066,095 | 13,128,837 | 13,860,655 | 14,627,136 | 15,543,290 |
| Cash and due from banks..... | 141,377 | 494,112 | 449,751 | 416,762 | 530,271 | 649,906 | 667,792 | 665,128 | 652,709 |
| U. S. Government obligations..... | 725,595 | 3,322,146 | 4,723,004 | 6,345,344 | 7,588,938 | 8,127,449 | 8,042,934 | 7,855,590 | 7,754,675 |
| Other securities..... | 416,107 | 663,101 | 628,821 | 605,362 | 653,589 | 814,360 | 1,189,924 | 1,504,437 | 1,561,408 |
| Real estate loans..... | 661,599 | 3,104,849 | 3,085,567 | 3,056,494 | 3,112,879 | 3,352,063 | 3,756,276 | 4,382,035 | 5,327,950 |
| Other loans and discounts..... | 80,078 | 28,145 | 30,372 | 36,934 | 41,588 | 48,173 | 56,597 | 58,135 | 68,178 |
| All other assets..... | 114,572 | 333,334 | 247,358 | 175,504 | 138,830 | 136,886 | 147,132 | 161,811 | 178,370 |
| Liabilities and capital—total..... | 2,089,328 | 7,945,687 | 9,164,873 | 10,636,400 | 12,066,095 | 13,128,837 | 13,860,655 | 14,627,136 | 15,543,290 |
| Total deposits..... | 1,900,429 | 7,134,660 | 8,280,998 | 9,648,308 | 10,923,361 | 11,869,717 | 12,519,862 | 13,201,208 | 14,013,217 |
| Demand deposits..... | | | | | 13,198 | 13,565 | 14,395 | 14,762 | 17,904 |
| Time and savings deposits..... | 1,900,429 | 7,134,660 | 8,280,998 | 9,648,308 | 10,910,163 | 11,856,152 | 12,505,467 | 13,186,446 | 13,995,313 |
| Borrowings and other liabilities..... | 6,656 | 22,331 | 23,974 | 27,085 | 32,934 | 42,064 | 44,618 | 47,638 | 63,722 |
| Total surplus and capital accounts..... | 182,243 | 788,696 | 859,901 | 961,007 | 1,109,800 | 1,217,056 | 1,296,175 | 1,378,290 | 1,466,351 |
| Number of active officers, December 31..... | 363 | 1,209 | 1,276 | 1,337 | 1,410 | 1,494 | 1,527 | 1,567 | 1,650 |
| Number of other employees, December 31..... | 2,884 | 9,581 | 9,719 | 10,852 | 11,414 | 11,599 | 11,930 | 12,331 | 12,870 |
| Number of banks, December 31 ⁷ | 56 | 184 | 192 | 192 | 191 | 194 | 193 | 192 | 194 |

¹ Includes professional fees from 1942 through 1944.

² In 1942-1944; and for banks not submitting reports to FDIC in 1945-1947, includes reductions in valuation reserves.

³ In 1945-1947 for banks submitting reports to FDIC and in 1948-1950 for all banks, includes all reductions in valuation reserves.

⁴ In 1942-1944; and for banks not submitting reports to FDIC in 1945-1947, includes additions to valuation reserves.

⁵ In 1945-1947 for banks submitting reports to FDIC and in 1948-1950 for all banks, includes all additions to valuation reserves.

⁶ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

⁷ Includes 3 mutual savings banks, members of the Federal Reserve System.

Back figures: See the Annual Report for 1941, p. 173.

Table 119. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED MUTUAL SAVINGS BANKS, 1942-1950

| Earnings or expense item | 1942 | 1943 | 1944 | 1945 | 1946 | 1947 | 1948 | 1949 | 1950 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Amounts per \$100 of current operating earnings | | | | | | | | | |
| Current operating earnings—total..... | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | $100.00 | \$100.00 |
| Income on real estate loans..... | 40.91 | 50.44 | 47.34 | 43.68 | 40.62 | 40.25 | 41.25 | 43.81 | 48.41 |
| Income on other loans..... | 1.47 | .46 | .43 | .50 | .54 | .56 | .61 | .60 | .67 |
| Interest on U. S. Government obligations.... | 22.46 | 27.97 | 33.09 | 42.02 | 48.76 | 49.23 | 45.68 | 41.91 | 38.11 |
| Interest and dividends on other securities.... | 22.18 | 9.00 | 10.04 | 7.64 | 6.44 | 6.49 | 8.87 | 10.34 | 9.64 |
| Collection and exchange charges, commis- sions, and fees..... | .20 | .12 | .18 | .32 | .37 | .36 | .30 | .33 | .33 |
| Other current operating earnings..... | 12.78 | 12.01 | 8.92 | 5.84 | 3.27 | 3.11 | 3.29 | 3.01 | 2.84 |
| Current operating expenses—total | 32.14 | 32.12 | 29.28 | 24.07 | 24.37 | 24.92 | 24.99 | 23.85 | 24.12 |
| Salaries, wages and fees..... | 11.82 | 11.32 | 11.04 | 10.41 | 11.38 | 12.16 | 12.31 | 11.97 | 11.82 |
| Taxes other than on net income..... | 6.69 | 6.22 | 5.02 | 2.60 | 2.06 | 1.83 | 1.59 | 1.47 | 1.47 |
| Recurring depreciation on banking house, furniture and fixtures..... | .97 | 1.11 | 1.14 | .82 | .74 | .68 | .67 | .72 | .60 |
| Other current operating expenses..... | 12.66 | 13.47 | 12.08 | 10.24 | 10.19 | 10.25 | 10.42 | 9.69 | 10.23 |
| Net current operating earnings | 67.86 | 67.88 | 70.72 | 75.93 | 75.63 | 75.08 | 75.01 | 76.15 | 75.88 |
| Dividends (interest) paid on deposits | 43.53 | 43.14 | 44.78 | 44.41 | 45.63 | 48.25 | 48.64 | 53.97 | 53.85 |
| Net operating earnings after dividends on deposits | 24.33 | 24.74 | 25.94 | 31.52 | 30.00 | 26.83 | 26.37 | 22.18 | 22.03 |
| Amounts per \$100 of total assets^a | | | | | | | | | |
| Current operating earnings—total..... | 3.65 | 3.44 | 3.23 | 3.03 | 2.91 | 2.86 | 2.91 | 2.98 | 3.08 |
| Current operating expenses—total..... | 1.17 | 1.10 | .95 | .73 | .71 | .71 | .73 | .71 | .74 |
| Net current operating earnings..... | 2.48 | 2.34 | 2.28 | 2.30 | 2.20 | 2.15 | 2.18 | 2.27 | 2.34 |
| Dividends (interest) paid on deposits..... | 1.59 | 1.49 | 1.44 | 1.35 | 1.33 | 1.38 | 1.41 | 1.61 | 1.66 |
| Net operating earnings after dividends on deposits..... | .89 | .85 | .84 | .95 | .87 | .77 | .77 | .66 | .68 |
| Recoveries and profits—total..... | .91 | 1.63 | 1.11 | 1.71 | 1.55 | .76 | .43 | .53 | .47 |
| Losses and charge-offs—total..... | 1.60 | 2.13 | 1.24 | 1.27 | 1.18 | .86 | .55 | .60 | .53 |
| Net profits before income taxes..... | .20 | .35 | .71 | 1.39 | 1.24 | .67 | .65 | .59 | .62 |
| Net additions to surplus and capital accounts.. | .18 | .34 | .70 | 1.37 | 1.19 | .63 | .61 | .56 | .59 |

| Special ratios ¹ | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Income on real estate loans per \$100 of real estate loans..... | 4.72 | 4.44 | 4.54 | 4.61 | 4.58 | 4.51 | 4.43 | 4.37 | 4.35 |
| Income on other loans per \$100 of other loans.. | 3.72 | 4.41 | 4.15 | 4.41 | 4.55 | 4.39 | 4.38 | 4.50 | 4.69 |
| Interest on U. S. Government obligations per \$100 of U. S. Government obligations..... | 2.36 | 2.30 | 2.07 | 2.14 | 2.26 | 2.28 | 2.29 | 2.33 | 2.35 |
| Income on other securities per \$100 of other securities..... | 4.07 | 3.71 | 4.72 | 4.07 | 3.46 | 2.99 | 3.00 | 3.00 | 2.95 |
| Dividends paid on deposits per \$100 of time and savings deposits..... | 1.75 | 1.65 | 1.60 | 1.49 | 1.47 | 1.53 | 1.57 | 1.79 | 1.84 |
| Net additions to surplus and capital accounts per \$100 of total surplus and capital accounts... | 2.09 | 3.46 | 7.43 | 15.15 | 12.93 | 6.74 | 6.53 | 5.95 | 6.22 |
| Assets and liabilities per \$100 of total assets² | | | | | | | | | |
| Assets—total..... | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Cash and due from banks..... | 6.77 | 6.22 | 4.91 | 3.92 | 4.40 | 4.95 | 4.82 | 4.55 | 4.20 |
| U. S. Government obligations..... | 34.73 | 41.80 | 51.53 | 59.66 | 62.89 | 61.91 | 58.03 | 53.71 | 49.89 |
| Other securities..... | 19.91 | 8.35 | 6.86 | 5.69 | 5.42 | 6.20 | 8.58 | 10.28 | 10.04 |
| Loans and discounts..... | 33.11 | 39.43 | 34.00 | 29.08 | 26.14 | 25.90 | 27.51 | 30.35 | 34.72 |
| All other assets..... | 5.48 | 4.20 | 2.70 | 1.65 | 1.15 | 1.04 | 1.06 | 1.11 | 1.15 |
| Liabilities and capital—total..... | 100.00 |
| Total deposits..... | 90.96 | 89.79 | 90.36 | 90.71 | 90.53 | 90.41 | 90.33 | 90.25 | 90.16 |
| <i>Demand deposits.....</i> | | | | | .11 | .10 | .11 | .10 | .12 |
| <i>Time and savings deposits.....</i> | 90.96 | 89.79 | 90.36 | 90.71 | 90.42 | 90.31 | 90.22 | 90.15 | 90.04 |
| Borrowings and other liabilities..... | .32 | .28 | .26 | .25 | .27 | .32 | .32 | .33 | .41 |
| Total capital accounts..... | 8.72 | 9.93 | 9.38 | 9.04 | 9.20 | 9.27 | 9.35 | 9.42 | 9.43 |
| Number of banks, December 31 ³ | 56 | 184 | 192 | 192 | 191 | 194 | 193 | 192 | 194 |

¹ Includes professional fees from 1942 through 1944.

² Asset and liability items are averages of figures reported at beginning, middle, and end of year.

³ Includes 3 mutual savings banks, members of the Federal Reserve System.

DEPOSIT INSURANCE DISBURSEMENTS

Table 120. Disbursements, deposits, and depositors in insured banks financially aided by the Federal Deposit Insurance Corporation, 1934-1950

Banks grouped by class of bank, year of aid, amount of deposits, and State

Table 121. Assets and liabilities of insured banks placed in receivership and of insured banks absorbed with the financial aid of the Federal Deposit Insurance Corporation, 1934-1950

As shown by books of bank at date of closing

Table 122. Name, location, Federal Deposit Insurance Corporation disbursement, and assets and liabilities of insured banks absorbed with the financial aid of the Corporation during 1950

Table 123. Recoveries and losses by the Federal Deposit Insurance Corporation in connection with insured banks financially aided by the Corporation, 1934-1950

As shown by books of FDIC, December 31, 1950

Disbursements by the Federal Deposit Insurance Corporation to protect depositors have been made when insured banks because of financial difficulties are placed in receivership or are absorbed with the aid of the Corporation. In receiverships the disbursement is the amount paid by the Corporation on insured deposits. In absorptions the Corporation's disbursement is the amount loaned to absorbed banks, or the price paid for assets purchased from them.

The table "Depositors and deposits of insured banks placed in receivership," by years, which appeared in previous reports, has been omitted since there has been no receivership since 1944. For definitions of the terms used in that table, and the detailed figures as shown by the books of the Corporation for December 31, 1946, see the Annual Report of the Corporation for 1946, pages 167 and 171. Totals for all insured banks placed in receivership are given in Tables 3 and 4 of this Report, pages 12 and 13.

Deposits of insured banks placed in receivership as given in Table 120 are taken from the books of FDIC at the end of the year and will differ from the deposits in Table 121 which are taken from books of the

bank at date of closing. This is because the former include deposits discovered or reclassified after the date of a bank's closing.

Details of the absorptions during 1950 are given in Table 122. The disbursements by the Corporation were made to purchase assets from the selling bank which were not acceptable to the purchasing bank.

Noninsured bank failures

One noninsured bank failed in 1950. The name and location of this bank and its deposits and date of closing are given below.

Long Banking Company, Ludowici, Georgia, July 1950, deposits \$42,000.

For suspensions of noninsured banks in previous years, see the Annual Reports of the Corporation as follows: 1943, p. 102; 1946, p. 167; 1947, p. 159; and 1949, p. 187.

Sources of data

Books of bank at date of closing; and books of FDIC, December 31, 1950.

Table 120. DISBURSEMENTS, DEPOSITS, AND DEPOSITORS IN INSURED BANKS FINANCIALLY AIDED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1950

BANKS GROUPED BY CLASS OF BANK, YEAR OF AID, AMOUNT OF DEPOSITS, AND STATE

| Classification | Disbursements by FDIC (in thousands of dollars) ¹ | | | Number of banks | | | Deposits (in thousands of dollars) ² | | | Number of depositors ³ | | |
|--|---|--------------------|------------------|-----------------|--------------------|------------------|--|--------------------|------------------|-----------------------------------|--------------------|-------------------------------|
| | Total | Receiver- ships | Absorp- tions | Total | Receiver- ships | Absorp- tions | Total | Receiver- ships | Absorp- tions | Total | Receiver- ships | Absorp- tions ³ |
| All banks | 273,203 | 87,044 | 186,159 | 415 | 245 | 170 | 533,421 | 109,603 | 423,818 | 1,354,172 | 382,764 | 971,408 |
| Class of bank | | | | | | | | | | | | |
| National banks..... | 50,865 | 14,808 | 36,057 | 72 | 21 | 51 | 108,828 | 19,474 | 89,354 | 285,173 | 65,406 | 229,767 |
| State banks members F. R. System..... | 101,275 | 20,934 | 80,341 | 22 | 6 | 16 | 187,623 | 26,550 | 161,073 | 368,503 | 82,860 | 285,643 |
| Banks not members F. R. System..... | 121,063 | 51,302 | 69,761 | 321 | 218 | 103 | 236,970 | 63,579 | 173,391 | 700,496 | 244,498 | 455,998 |
| Calendar year | | | | | | | | | | | | |
| 1934..... | 941 | 941 | ..... | 9 | 9 | ..... | 1,968 | 1,968 | ..... | 15,767 | 15,767 | ..... |
| 1935..... | 8,890 | 6,025 | 2,865 | 25 | 24 | 1 | 18,320 | 9,091 | 4,229 | 44,655 | 32,331 | 12,324 |
| 1936..... | 14,833 | 8,056 | 6,777 | 69 | 42 | 27 | 27,528 | 11,241 | 16,287 | 89,024 | 43,225 | 45,799 |
| 1937..... | 19,202 | 12,045 | 7,157 | 75 | 50 | 25 | 33,345 | 14,960 | 18,385 | 130,409 | 74,148 | 56,261 |
| 1938..... | 30,512 | 9,092 | 21,420 | 74 | 50 | 24 | 59,724 | 10,296 | 49,428 | 203,970 | 44,288 | 159,682 |
| 1939..... | 67,804 | 26,196 | 41,608 | 60 | 32 | 28 | 157,790 | 32,751 | 125,039 | 392,765 | 90,211 | 302,554 |
| 1940..... | 74,456 | 4,895 | 69,561 | 43 | 19 | 24 | 142,389 | 5,657 | 136,732 | 256,373 | 20,667 | 235,706 |
| 1941..... | 23,930 | 12,278 | 11,652 | 15 | 8 | 7 | 29,721 | 14,730 | 14,991 | 73,046 | 38,594 | 34,452 |
| 1942..... | 11,154 | 1,612 | 9,542 | 20 | 6 | 14 | 19,011 | 1,816 | 17,195 | 60,602 | 5,717 | 54,885 |
| 1943..... | 7,250 | 5,500 | 1,750 | 5 | 4 | 1 | 12,535 | 6,637 | 5,898 | 27,372 | 16,917 | 10,455 |
| 1944..... | 1,520 | 404 | 1,116 | 2 | 1 | 1 | 1,915 | 456 | 1,459 | 5,488 | 899 | 4,589 |
| 1945..... | 1,874 | ..... | 1,874 | 1 | ..... | 1 | 5,695 | ..... | 5,695 | 12,484 | ..... | 12,484 |
| 1946..... | 292 | ..... | 292 | 1 | ..... | 1 | 316 | ..... | 316 | 1,404 | ..... | 1,404 |
| 1947..... | 1,777 | ..... | 1,777 | 5 | ..... | 5 | 6,966 | ..... | 6,966 | 10,618 | ..... | 10,618 |
| 1948..... | 3,027 | ..... | 3,027 | 3 | ..... | 3 | 10,455 | ..... | 10,455 | 18,311 | ..... | 18,311 |
| 1949..... | 2,558 | ..... | 2,558 | 4 | ..... | 4 | 4,977 | ..... | 4,977 | 5,660 | ..... | 5,660 |
| 1950..... | 3,183 | ..... | 3,183 | 4 | ..... | 4 | 5,766 | ..... | 5,766 | 6,224 | ..... | 6,224 |
| Banks with deposits of— | | | | | | | | | | | | |
| \$100,000 or less..... | 4,955 | 4,308 | 647 | 106 | 83 | 23 | 6,358 | 4,947 | 1,411 | 38,064 | 29,695 | 8,369 |
| \$100,000 to \$250,000..... | 12,864 | 11,554 | 1,310 | 108 | 86 | 22 | 17,611 | 13,920 | 3,691 | 83,012 | 65,512 | 17,500 |
| \$250,000 to \$500,000..... | 15,224 | 10,223 | 5,001 | 60 | 36 | 24 | 21,409 | 12,462 | 8,947 | 90,910 | 56,777 | 34,133 |
| \$500,000 to \$1,000,000..... | 27,050 | 13,901 | 13,149 | 55 | 24 | 31 | 41,374 | 17,590 | 23,784 | 144,613 | 63,487 | 81,126 |
| \$1,000,000 to \$2,000,000..... | 30,075 | 8,961 | 21,114 | 41 | 9 | 32 | 59,223 | 11,748 | 47,475 | 190,022 | 54,324 | 135,698 |
| \$2,000,000 to \$5,000,000..... | 44,792 | 12,421 | 32,371 | 27 | 5 | 22 | 82,902 | 16,279 | 66,623 | 216,299 | 51,756 | 164,543 |
| \$5,000,000 to \$10,000,000..... | 23,680 | ..... | 23,680 | 10 | ..... | 10 | 65,407 | ..... | 65,407 | 170,850 | ..... | 170,850 |
| \$10,000,000 to \$50,000,000..... | 114,563 | 25,676 | 88,887 | 8 | 2 | 6 | 239,137 | 32,657 | 206,480 | 420,402 | 61,213 | 359,189 |
| More than \$50,000,000..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |

| State | | | | | | | | | | | | | | | | | | |
|----------------|--------|--------|--------|----|----|----|---------|--------|---------|---------|---------|---------|--|--|--|--|--|--|
| Alabama | 237 | 94 | 143 | 2 | 1 | 1 | 529 | 101 | 428 | 3,231 | 794 | 2,437 | | | | | | |
| Arkansas | 841 | 841 | | 5 | 5 | | 1,168 | 1,168 | | 3,529 | 3,529 | | | | | | | |
| California | 861 | | 861 | 1 | | 1 | 1,078 | | 1,078 | 3,169 | | 3,169 | | | | | | |
| Colorado | 7 | 7 | | 1 | 1 | | 8 | 8 | | 10 | 10 | | | | | | | |
| Connecticut | 1,242 | 1,242 | | 2 | 2 | | 1,526 | 1,526 | | 5,379 | 5,379 | | | | | | | |
| Florida | 300 | 203 | 97 | 2 | 1 | 1 | 491 | 217 | 274 | 1,642 | 448 | 1,194 | | | | | | |
| Georgia | 863 | 846 | 17 | 8 | 7 | 1 | 1,027 | 998 | 29 | 8,094 | 7,773 | 321 | | | | | | |
| Illinois | 4,024 | 1,242 | 2,782 | 16 | 6 | 10 | 9,561 | 1,637 | 7,924 | 20,034 | 5,372 | 14,662 | | | | | | |
| Indiana | 6,208 | 3,097 | 3,111 | 20 | 15 | 5 | 13,236 | 3,932 | 9,304 | 30,011 | 12,549 | 17,462 | | | | | | |
| Iowa | 1,462 | 385 | 1,077 | 6 | 3 | 3 | 5,516 | 498 | 5,018 | 13,666 | 1,676 | 11,990 | | | | | | |
| Kansas | 975 | 482 | 493 | 9 | 5 | 4 | 1,233 | 539 | 694 | 5,147 | 2,254 | 2,893 | | | | | | |
| Kentucky | 4,614 | 3,329 | 1,285 | 22 | 18 | 4 | 7,951 | 3,954 | 3,997 | 34,623 | 18,490 | 16,133 | | | | | | |
| Louisiana | 668 | 668 | | 3 | 3 | | 1,652 | 1,652 | | 6,087 | 6,087 | | | | | | | |
| Maryland | 3,132 | 735 | 2,397 | 5 | 2 | 3 | 4,569 | 828 | 3,741 | 22,569 | 6,643 | 15,926 | | | | | | |
| Massachusetts | 1,571 | | 1,571 | 2 | | 2 | 3,019 | | 3,019 | 9,062 | | 9,062 | | | | | | |
| Michigan | 6,308 | 139 | 6,169 | 8 | 3 | 5 | 13,530 | 160 | 13,370 | 31,549 | 928 | 30,621 | | | | | | |
| Minnesota | 640 | 640 | | 5 | 5 | | 818 | 818 | | 2,650 | 2,650 | | | | | | | |
| Mississippi | 257 | 257 | | 3 | 3 | | 334 | 334 | | 1,651 | 1,651 | | | | | | | |
| Missouri | 4,920 | 4,335 | 585 | 45 | 34 | 11 | 7,001 | 5,116 | 1,885 | 34,562 | 26,760 | 7,802 | | | | | | |
| Montana | 639 | 186 | 453 | 5 | 3 | 2 | 1,007 | 215 | 792 | 1,488 | 849 | 639 | | | | | | |
| Nebraska | 469 | 469 | | 4 | 4 | | 538 | 538 | | 2,224 | 2,224 | | | | | | | |
| New Hampshire | 118 | | 118 | 1 | | 1 | 296 | | 296 | 1,781 | | 1,781 | | | | | | |
| New Jersey | 80,929 | 25,103 | 55,826 | 38 | 11 | 27 | 192,444 | 30,928 | 161,516 | 520,426 | 101,656 | 418,770 | | | | | | |
| New York | 67,828 | 10,835 | 56,993 | 25 | 3 | 22 | 138,826 | 13,286 | 125,540 | 259,905 | 28,440 | 231,465 | | | | | | |
| North Carolina | 2,887 | 1,156 | 1,231 | 7 | 2 | 5 | 3,282 | 1,421 | 1,861 | 10,409 | 3,677 | 6,732 | | | | | | |
| North Dakota | 2,663 | 1,397 | 1,266 | 29 | 18 | 11 | 3,830 | 1,552 | 2,278 | 14,109 | 6,760 | 7,349 | | | | | | |
| Ohio | 1,874 | 1,610 | 264 | 3 | 2 | 1 | 3,087 | 2,345 | 742 | 8,541 | 7,585 | 956 | | | | | | |
| Oklahoma | 2,444 | 1,133 | 1,311 | 8 | 5 | 3 | 4,151 | 1,659 | 2,492 | 10,564 | 5,874 | 4,690 | | | | | | |
| Oregon | 962 | | 962 | 1 | | 1 | 1,114 | | 1,114 | 2,105 | | 2,105 | | | | | | |
| Pennsylvania | 48,720 | 10,133 | 38,587 | 27 | 8 | 19 | 71,385 | 14,340 | 57,045 | 159,628 | 43,828 | 115,800 | | | | | | |
| South Carolina | 298 | 136 | 162 | 2 | 1 | 1 | 850 | 136 | 714 | 1,848 | 403 | 1,445 | | | | | | |
| South Dakota | 2,411 | 2,388 | 23 | 23 | 22 | 1 | 2,988 | 2,862 | 126 | 12,516 | 11,412 | 1,104 | | | | | | |
| Tennessee | 1,279 | 1,164 | 115 | 12 | 8 | 4 | 1,942 | 1,620 | 322 | 12,358 | 9,993 | 2,365 | | | | | | |
| Texas | 2,761 | 2,468 | 293 | 18 | 16 | 2 | 3,925 | 3,239 | 686 | 19,864 | 18,334 | 1,530 | | | | | | |
| Vermont | 3,445 | 3,259 | 186 | 3 | 2 | 1 | 3,725 | 3,375 | 350 | 11,058 | 8,687 | 2,371 | | | | | | |
| Virginia | 5,053 | 511 | 4,542 | 8 | 3 | 5 | 10,746 | 629 | 10,117 | 26,063 | 2,964 | 23,099 | | | | | | |
| Washington | 935 | | 935 | 1 | | 1 | 1,538 | | 1,538 | 4,181 | | 4,181 | | | | | | |
| West Virginia | 1,458 | 1,458 | | 3 | 3 | | 2,006 | 2,006 | | 8,346 | 8,346 | | | | | | | |
| Wisconsin | 7,198 | 5,096 | 2,102 | 31 | 20 | 11 | 9,503 | 5,966 | 3,537 | 26,896 | 18,739 | 8,157 | | | | | | |
| Wyoming | 202 | | 202 | 1 | | 1 | 1,991 | | 1,991 | 3,197 | | 3,197 | | | | | | |

DEPOSIT INSURANCE DISBURSEMENTS

1 Includes only principal disbursements made through December 31, 1950. Excludes estimated additional disbursements of \$17,000 and expenses incident to the transactions.
 2 Data from books of FDIC, December 31, 1950.
 3 Number of deposit accounts.

Table 121. ASSETS AND LIABILITIES OF INSURED BANKS PLACED IN RECEIVERSHIP AND OF INSURED BANKS ABSORBED WITH THE FINANCIAL AID OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1950

AS SHOWN BY BOOKS OF BANK AT DATE OF CLOSING

| Year | Assets | | | | | | | Total | Liabilities and capital accounts | | | | | |
|----------------------------------|-------------------------|------------------------------|---------------------|----------------------------------|-------------------------------------|---------------------|---------------------|----------------------|----------------------------------|----------------------|---------------------|-----------------------|-------------------------------------|------------------|
| | Cash and due from banks | U. S. Government obligations | Other securities | Loans, discounts, and overdrafts | Banking house, furniture & fixtures | Other real estate | Other assets | | Total deposits | Other liabilities | R. F. C. capital | Private capital stock | Other capital accounts ¹ | |
| Total | \$121,942,751 | \$80,606,724 | \$74,367,908 | \$238,530,556 | \$22,499,020 | \$59,563,796 | \$13,663,690 | \$611,144,445 | \$531,192,746 | \$11,672,568 | \$25,155,114 | \$38,316,611 | \$4,807,406 | |
| RECEIVERSHIPS² | Total | \$10,154,078 | \$15,946,562 | \$65,569,217 | \$5,375,616 | \$12,293,686 | \$8,330,507 | \$140,290,048 | \$107,374,564 | \$10,122,023 | \$5,896,246 | \$12,254,299 | \$4,642,916 | |
| 1934 | 185,056 | 603,519 | 273,638 | 1,329,865 | 79,365 | 120,319 | 69,565 | 2,661,827 | 1,951,992 | 104,963 | 90,000 | 432,100 | 82,272 | |
| 1935 | 1,974,181 | 698,440 | 510,479 | 6,842,116 | 459,055 | 242,274 | 1,597,403 | 12,323,948 | 8,700,485 | 2,111,886 | 223,000 | 950,000 | 338,577 | |
| 1936 | 2,194,712 | 902,215 | 1,955,104 | 6,454,624 | 459,700 | 734,874 | 273,559 | 12,974,788 | 11,039,098 | 93,695 | 788,000 | 1,069,350 | -15,355 | |
| 1937 | 2,238,648 | 1,293,683 | 2,307,696 | 11,107,699 | 486,995 | 837,966 | 1,010,689 | 19,283,376 | 14,715,286 | 1,132,758 | 755,250 | 2,498,815 | 181,267 | |
| 1938 | 1,610,297 | 451,570 | 2,215,638 | 6,574,061 | 412,911 | 2,125,022 | 630,408 | 13,919,907 | 10,124,255 | 1,213,354 | 1,052,900 | 1,059,200 | 470,198 | |
| 1939 | 3,329,557 | 1,052,424 | 4,855,519 | 21,839,422 | 1,845,901 | 7,221,558 | 3,781,385 | 43,925,766 | 32,557,805 | 4,695,820 | 2,249,996 | 2,775,001 | 1,647,144 | |
| 1940 | 1,018,215 | 452,574 | 1,519,677 | 3,314,762 | 694,900 | 435,526 | 523,899 | 7,959,553 | 5,599,438 | 455,788 | 422,750 | 1,045,533 | 436,044 | |
| 1941 | 6,462,157 | 3,493,431 | 1,810,346 | 5,398,218 | 91,311 | 106,615 | 449,458 | 17,811,536 | 14,627,158 | 298,526 | 195,500 | 1,582,000 | 1,108,352 | |
| 1942 | 500,513 | 119,650 | 52,364 | 777,953 | 70,685 | 55,222 | 25,030 | 1,601,417 | 1,379,526 | 1,520 | 81,750 | 140,000 | -1,379 | |
| 1943 | 2,910,826 | 968,872 | 405,011 | 1,846,467 | 772,493 | 414,310 | 63,677 | 7,381,656 | 6,274,311 | 13,582 | 32,500 | 675,000 | 386,263 | |
| 1944 | 196,220 | 117,700 | 41,090 | 84,030 | 2,300 | ..... | 5,434 | 446,774 | 405,210 | 181 | 4,600 | 27,300 | 9,533 | |
| ABSORPTIONS | Total | \$99,322,369 | \$70,452,646 | \$58,421,346 | \$172,961,339 | \$17,123,404 | \$47,270,110 | \$5,303,183 | \$470,854,397 | \$423,818,182 | \$1,550,545 | \$19,258,868 | \$26,062,312 | \$164,490 |
| 1935 | 404,834 | 233,395 | 1,403,807 | 2,256,417 | 608,467 | ..... | 10,808 | 4,917,728 | 4,228,816 | 140 | ..... | 315,000 | 373,772 | |
| 1936 | 3,109,830 | 2,071,296 | 2,080,059 | 8,917,554 | 1,277,605 | 1,184,658 | 325,362 | 18,966,364 | 16,287,262 | 19,769 | 310,000 | 1,664,000 | 635,333 | |
| 1937 | 4,717,074 | 2,495,254 | 3,520,186 | 8,678,629 | 562,181 | 926,359 | 186,497 | 21,086,180 | 18,364,923 | 262,651 | 609,200 | 1,808,400 | 21,006 | |
| 1938 | 8,133,887 | 7,018,796 | 10,377,037 | 20,896,236 | 2,873,257 | 3,913,009 | 2,380,489 | 55,592,711 | 49,428,383 | 168,674 | 3,726,463 | 2,697,650 | -428,459 | |
| 1939 | 27,451,442 | 27,929,162 | 16,266,036 | 44,289,765 | 5,142,882 | 15,459,743 | 1,049,600 | 137,588,630 | 125,038,946 | 679,659 | 6,103,500 | 6,381,000 | -614,475 | |
| 1940 | 30,227,874 | 17,183,076 | 17,987,527 | 60,687,428 | 4,553,388 | 22,840,095 | 458,831 | 153,938,219 | 136,731,549 | 157,766 | 7,186,655 | 8,666,162 | 1,196,087 | |
| 1941 | 3,167,243 | 801,273 | 2,835,309 | 8,173,623 | 798,023 | 1,014,582 | 197,669 | 16,992,727 | 14,990,768 | 57,508 | 289,000 | 1,111,250 | 544,201 | |
| 1942 | 4,159,617 | 3,547,766 | 2,275,392 | 7,731,137 | 759,861 | 1,824,586 | 354,362 | 20,652,721 | 17,195,146 | 584 | 913,400 | 1,748,200 | 795,391 | |
| 1943 | 1,216,987 | 2,903,771 | 555,383 | 1,675,734 | 274,331 | 15,844 | 34,523 | 6,676,573 | 5,897,691 | ..... | 96,000 | 300,000 | 332,832 | |
| 1944 | 368,633 | 585,251 | 230,282 | 367,086 | ..... | 67,428 | 32,108 | 1,650,788 | 1,469,091 | ..... | ..... | 200,000 | -8,303 | |
| 1945 | 2,440,786 | 1,371,925 | 55,504 | 2,435,488 | ..... | 4,609 | 83,603 | 6,391,915 | 5,695,202 | ..... | ..... | 331,500 | 365,213 | |
| 1946 | 126,764 | 114,326 | 30,236 | 77,049 | 2,369 | ..... | 425 | 351,169 | 316,402 | ..... | ..... | 10,000 | 24,767 | |
| 1947 | 2,769,014 | 2,201,186 | 318,322 | 1,452,370 | 56,630 | 1 | 215 | 6,797,738 | 6,965,742 | ..... | ..... | 197,500 | -365,504 | |
| 1948 | 6,864,201 | 1,013,657 | 178,720 | 2,015,414 | 112,200 | 19,196 | 156,808 | 10,360,196 | 10,454,520 | ..... | ..... | 375,000 | -469,324 | |
| 1949 | 2,616,025 | 647,349 | 217,903 | 1,336,785 | 61,705 | ..... | 5,853 | 4,885,620 | 4,977,235 | 5,959 | 15,000 | 142,500 | -255,074 | |
| 1950 | 1,548,158 | 336,163 | 89,643 | 1,965,624 | 40,500 | ..... | 26,030 | 4,005,118 | 4,766,506 | 197,835 | 9,650 | 114,150 | -2,083,023 | |

¹ Includes surplus, undivided profits, and reserve funds minus operating deficit, if any, as shown by books. Minus (-) indicates net operating deficit.

² No insured bank has been placed in receivership since 1944.

As of December 31, 1950.

Table 122. NAME, LOCATION, FEDERAL DEPOSIT INSURANCE CORPORATION DISBURSEMENT, AND ASSETS AND LIABILITIES OF INSURED BANKS ABSORBED WITH THE FINANCIAL AID OF THE CORPORATION DURING 1950

| Case number | Name and location | Class of bank | Number of accounts ¹ | Disbursement | | Absorbing bank |
|-------------|---|-------------------------------------|---------------------------------|-----------------|---------------------|---|
| | | | | Date | Amount ² | |
| 167 | The Westphalia State Bank, Westphalia, Michigan | State bank, not member F. R. System | 1,039 | April 3, 1950 | \$967,959 | Maynard-Allen State Bank, Portland, Michigan |
| 168 | The Bank of Aurora, Aurora, North Carolina | State bank, not member F. R. System | 2,447 | July 24, 1950 | 938,698 | Guaranty Bank and Trust Company, Greenville, North Carolina |
| 169 | The Farmers First National Bank of Minooka, Minooka, Illinois | National bank | 953 | August 14, 1950 | 245,368 | The First National Bank of Joliet, Joliet, Illinois |
| 170 | First National Bank in Cecil, Cecil, Pennsylvania | National bank | 1,785 | October 9, 1950 | 1,030,114 | The First National Bank of McDonald, McDonald, Pennsylvania |

| Case number | Assets | | | | | | | Total | Liabilities and capital accounts | | | | |
|--------------|-------------------------|------------------------------|------------------|----------------------------------|-------------------------------------|-------------------|-----------------|--------------------|----------------------------------|-------------------|------------------|-----------------------|-------------------------------------|
| | Cash and due from banks | U. S. Government obligations | Other securities | Loans, discounts, and overdrafts | Banking house, furniture & fixtures | Other real estate | Other assets | | Total deposits ³ | Other liabilities | R. F. C. capital | Private capital stock | Other capital accounts ⁴ |
| Total | \$1,548,158 | \$335,163 | \$89,643 | \$1,965,624 | \$40,500 | ..... | \$26,030 | \$4,005,118 | \$5,766,506 | \$197,835 | \$9,650 | \$114,150 | \$-2,083,023 |
| 167 | 108,786 | 115,990 | 52,692 | 461,246 | 5,000 | ..... | 707 | 744,421 | 1,126,402 | ..... | ..... | 25,000 | -406,981 |
| 168 | 120,680 | 100,173 | 32,001 | 992,095 | 22,501 | ..... | 23,955 | 1,291,405 | 991,329 | 197,835 | 9,650 | 14,150 | 78,441 |
| 169 | 1,154,008 | 25,000 | 2,250 | 146,281 | 4,000 | ..... | ..... | 1,331,539 | 1,403,375 | ..... | ..... | 25,000 | -96,836 |
| 170 | 164,684 | 94,000 | 2,700 | 366,002 | 8,999 | ..... | 1,368 | 637,753 | 2,245,400 | ..... | ..... | 50,000 | -1,657,647 |

¹ Number of accounts as of December 31, 1950, from books of FDIC.

² As of December 31, 1950; does not include preliminary and field liquidation expenses or advances for the protection of assets incident to the transaction.

³ As determined by FDIC agents after adjustment of books of bank for liabilities discovered subsequent to closing.

⁴ Includes surplus, undivided profits, and reserve funds minus operating deficit, if any, after adjustment for liabilities discovered subsequent to closing. Minus (-) indicates net operating deficit.

Table 123. RECOVERIES AND LOSSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IN CONNECTION WITH INSURED BANKS FINANCIALLY AIDED BY THE CORPORATION, 1934-1950
AS SHOWN BY BOOKS OF FDIC, DECEMBER 31, 1950
(Amounts in thousands of dollars)

| Liquidation status and year of receivership or absorption | All banks | | | | | Receiverships | | | | | Absorptions | | | | |
|---|-----------------|--|---------------------------------|---------------------------------|-------------------------------|-----------------|--|---------------------------------|---------------------------------|-------------------------------|-----------------|-----------------------------|---------------------------------|---------------------------------|-------------------------------|
| | Number of banks | Estimated FDIC disbursement ¹ | Recoveries to December 30, 1950 | Estimated additional recoveries | Estimated losses ² | Number of banks | Estimated FDIC disbursement ¹ | Recoveries to December 30, 1950 | Estimated additional recoveries | Estimated losses ² | Number of banks | Estimated FDIC disbursement | Recoveries to December 31, 1950 | Estimated additional recoveries | Estimated losses ² |
| All banks, total. | 415 | 273,220 | 244,225 | 2,065 | 26,930 | 245 | 87,061 | 72,489 | 171 | 14,401 | 170 | 186,159 | 171,736 | 1,894 | 12,529 |
| Status | | | | | | | | | | | | | | | |
| Active..... | 20 | 88,984 | 77,496 | 2,065 | 9,423 | 5 | 18,282 | 13,711 | 171 | 4,400 | 15 | 70,702 | 63,785 | 1,894 | 5,023 |
| Terminated.... | 395 | 184,236 | 166,729 | | 17,507 | 240 | 68,779 | 58,778 | | 10,001 | 155 | 115,457 | 107,951 | | 7,506 |
| Year | | | | | | | | | | | | | | | |
| 1934..... | 9 | 941 | 734 | | 207 | 9 | 941 | 734 | | 207 | | | | | |
| 1935..... | 25 | 8,890 | 6,158 | | 2,732 | 24 | 6,025 | 4,273 | | 1,752 | 1 | 2,865 | 1,885 | | 980 |
| 1936..... | 69 | 14,853 | 12,418 | | 2,415 | 42 | 8,056 | 6,596 | | 1,460 | 27 | 6,777 | 5,822 | | 955 |
| 1937..... | 75 | 19,202 | 15,633 | 5 | 3,564 | 50 | 12,045 | 9,503 | | 2,542 | 25 | 7,157 | 6,130 | 5 | 1,022 |
| 1938..... | 74 | 30,512 | 28,080 | | 2,432 | 50 | 9,092 | 7,908 | | 1,184 | 24 | 21,420 | 20,172 | | 1,248 |
| 1939..... | 60 | 67,816 | 60,225 | 169 | 7,422 | 32 | 26,208 | 20,038 | 166 | 6,004 | 28 | 41,608 | 40,187 | 3 | 1,418 |
| 1940..... | 43 | 74,456 | 69,525 | 786 | 4,145 | 19 | 4,895 | 4,313 | | 582 | 24 | 69,561 | 65,212 | 786 | 3,563 |
| 1941..... | 15 | 23,930 | 23,320 | | 610 | 8 | 12,278 | 12,065 | | 213 | 7 | 11,652 | 11,255 | | 397 |
| 1942..... | 20 | 11,154 | 10,471 | | 683 | 6 | 1,612 | 1,320 | | 292 | 14 | 9,542 | 9,151 | | 391 |
| 1943..... | 5 | 7,255 | 7,126 | 5 | 124 | 4 | 5,505 | 5,376 | 5 | 124 | 1 | 1,750 | 1,750 | | |
| 1944..... | 2 | 1,520 | 1,479 | | 41 | 1 | 404 | 363 | | 41 | 1 | 1,116 | 1,116 | | |
| 1945..... | 1 | 1,874 | 1,874 | | | | | | | | 1 | 1,874 | 1,874 | | |
| 1946..... | 1 | 292 | 292 | | | | | | | | 1 | 292 | 292 | | |
| 1947..... | 5 | 1,777 | 1,346 | 307 | 124 | | | | | | 5 | 1,777 | 1,346 | 307 | 124 |
| 1948..... | 3 | 3,027 | 2,314 | 16 | 697 | | | | | | 3 | 3,027 | 2,314 | 16 | 697 |
| 1949..... | 4 | 2,558 | 2,143 | 41 | 374 | | | | | | 4 | 2,558 | 2,143 | 41 | 374 |
| 1950..... | 4 | 3,183 | 1,087 | 736 | 1,360 | | | | | | 4 | 3,183 | 1,087 | 736 | 1,360 |

¹ Differs from amount of principal disbursements as given in Table 120 by including unpaid insured deposits, expected to result in additional FDIC disbursement of \$17 thousand (\$12 thousand in 1939 and \$5 thousand in 1943).

² Sum of losses in the cases in which the disbursement by the Corporation to protect depositors was not repaid in full. Excludes interest or gains in cases in which the disbursement by the Corporation was fully recovered and gains or losses on assets purchased by the Corporation from receivers of closed banks. For the net loss to the Corporation (\$514 thousand less than here shown), see the item, "Losses" in Table 16, p. 28.

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| Number of banks cited..... | 19-20 |
| Type of practice or violation..... | 19 |
| Unsecured deposits. <i>See</i> Receivership, insured banks placed in. | |
| Valuation reserves..... | 51, 229, 232, 237, 249 |
| Violations of law or regulations, banks charged with. <i>See</i> Unsafe and unsound banking practices. | |

