

**FEDERAL RESERVE BANK
OF DALLAS**

Dallas, Texas, March 31, 1933.

**Regulations Issued by the Secretary of the Treasury under the President's
Proclamation Declaring a Bank Holiday—Continued**

To the Bank Addressed:

Supplementing our Circulars of March 18, 21, 23 and 29, on the above subject, I quote the following regulations received from the Secretary of the Treasury:

Regulation 31.

“Any banking institution which is a member of the Federal Reserve System and is not licensed to perform usual banking functions, but which is duly authorized to engage in the business of acting as Trustee, Executor, Administrator, Registrar of Stocks and Bonds, Transfer Agent, Guardian of Estates, Assignee, Receiver, Committee of Estates of Lunatics, or in any other fiduciary capacity, may transact such business in the normal and usual manner and may make payments on account of the principal or income of trust or other fiduciary funds to the persons entitled thereto; provided, that, except to the extent permitted by other emergency banking regulations, no such banking institution shall withdraw or pay out any trust or other fiduciary funds on deposit with any other department of such banking institution or make any other payment in connection with any trust or other fiduciary funds which would operate to discharge, as a whole or in part, any indebtedness, as distinguished from any trust or other fiduciary duty, of such banking institution.

This regulation supersedes emergency banking regulation number 13 of March 7, 1933, which is hereby revoked.”

Regulation 32.

“Any state bank which is a member of the Federal Reserve System, and is not licensed by the Secretary of the Treasury to perform usual banking functions, may permit withdrawals of deposits which are lawfully secured by collateral; provided, that such withdrawals are (A) permissible under applicable law, (B) Duly authorized by the Board of Directors of such bank, upon such terms with respect to the release of collateral as will fully protect all depositors and other creditors against the creation of any preferences, and (C) Approved by the appropriate state authority having supervision of such bank.

Any such bank is authorized to carry on such usual banking functions as may be essential to allow the withdrawals permitted by this regulation, subject to the provisions and restrictions above set forth and except as otherwise prohibited.”

Very truly yours.



Governor.