

**FEDERAL RESERVE BANK  
OF DALLAS**

Dallas, Texas, June 26, 1934

**CORRESPONDENT RELATIONS WITH DEALERS IN SECURITIES**

**To the Member Bank Addressed:**

For your information and guidance, I am quoting below a telegram addressed to me by the Federal Reserve Board, Washington, D. C., under date of June 23, 1934:

"Board has heretofore granted individual permits under Section 32 of Banking Act of 1933 for member banks to act as correspondent banks for dealers in securities in connection with underwriting and dealing in securities exempted from restrictions contained in Section 5136, Revised Statutes of United States. Board has now decided to grant, and hereby grants, permit under Section 32 of Banking Act of 1933 for period until December 1, 1934, for correspondent relationships between any member bank or banks and any dealer or dealers in securities in connection with underwriting and dealing in the following types of securities only: Obligations of United States, general obligations of any state or of any political subdivision thereof, obligations issued under authority of Federal Farm Loan Act, obligations issued by Federal Home Loan Banks, and/or obligations issued by Home Owners' Loan Corporation.

This permit is subject to revocation in whole or in part as to any or all member banks or dealers after reasonable notice and opportunity to be heard. Instead of formal applications usually required, each member bank which exercises privilege granted herein shall promptly furnish to Federal Reserve Agent of district in which member bank is located such information concerning its operations under this permit as Federal Reserve Board may require, and Board will at an early date advise as to information which must be submitted. Upon receipt of required information, each Federal Reserve Agent will be expected to review promptly facts involved in each correspondent relationship covered by this permit in his district, and to advise Board of any case in which facts are such as to indicate that permit should be revoked as to particular relationship.

Each Federal Reserve Agent is requested to review all correspondent relationships covered by this permit in his district, and advise Board, not later than November 15, 1934, whether in his opinion it will be compatible with the public interest to renew this permit, stating reasons for his opinion.

Please advise all member banks in your district concerning this permit."

Yours very truly,



Federal Reserve Agent.