

**FEDERAL RESERVE BANK
OF DALLAS**

Dallas, Texas, April 19, 1940

**To All Banking Institutions, and Others Concerned,
in the Eleventh Federal Reserve District:**

The Secretary of the Treasury has issued the following general ruling:

GENERAL RULING NO. 1 UNDER EXECUTIVE ORDER NO. 8329 of April 10, 1940, and Regulations issued pursuant thereto relating to transactions in foreign exchange, etc.

“The Secretary of State has advised me as follows:

‘Denmark and Iceland are two separate political entities. Acting under the authority of a provision of the Icelandic constitution the Icelandic Parliament has within the past few days passed a resolution stating that since the King of Iceland is not now in a position to carry out his constitutional duties with respect to Iceland, the Icelandic Government has assumed for the time being the exercise of the royal prerogatives and the entire control of Icelandic foreign relations.

‘In view of the foregoing it would not appear that Iceland falls within the definition of the term “Denmark” in Section 11 of the above-mentioned Executive Order.’

‘In view of the foregoing, the Treasury Department construes the term ‘Denmark’ as used in the above-mentioned Executive Order and Regulations as not applying to Iceland.

H. Morgenthau, Jr.

Dated April 15, 1940.

Secretary of the Treasury”

Yours very truly,

R. R. GILBERT,

President