

FEDERAL RESERVE BANK OF DALLAS
DALLAS 13, TEXAS

Dallas, Texas, May 31, 1949

AMENDMENT TO REGULATION F

**To the Member Banks in the
Eleventh Federal Reserve District:**

From time to time questions have arisen with respect to whether Series G United States Savings Bonds, which are redeemable but not salable, could be regarded as readily marketable securities for common trust fund purposes.

While the classification of the bonds as readily marketable securities was consistent with the purposes of the pertinent provisions of Regulation F, the bonds did not appear to comply technically with the definition of the term "readily marketable security" contained in the regulation.

In order to clarify the situation, the Board of Governors of the Federal Reserve System has amended footnote numbered 19 in Regulation F to provide specifically that, for the purposes of Section 17 of the regulation, the term "readily marketable security" shall include any security which is a direct obligation of the United States.

A copy of the amendment effective May 20, 1949, is reproduced on the reverse side of this letter. It is applicable only to banks maintaining Common Trust Funds in conformity with the Regulation. Please place it in the appropriate section of your ring binder.

Yours very truly,

R. R. GILBERT

President