

**FEDERAL RESERVE BANK OF DALLAS
DALLAS 13, TEXAS**

Dallas, Texas, January 17, 1951

SUPPLEMENT TO REGULATION U

**To All Banking Institutions in the
Eleventh Federal Reserve District:**

The Board of Governors of the Federal Reserve System has amended Regulation U by increasing margin requirements from 50 per cent to 75 per cent, effective January 17, 1951. The press statement issued in connection with such action follows:

“The Board of Governors of the Federal Reserve System today amended Regulations T and U, relating respectively to margin requirements of brokers and banks, by increasing requirements from 50 per cent to 75 per cent, effective January 17, 1951. The increased requirements apply to both purchases and short sales. No other change is made in the regulations.”

The text of the amended supplement to the regulation is printed on the reverse side of this letter.

Yours very truly,

R. R. GILBERT

President

SUPPLEMENT TO REGULATION U

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Effective January 17, 1951

For the purpose of Section 1 of Regulation U, the maximum loan value of any stock, whether or not registered on a national securities exchange, shall be 25 per cent of its current market value, as determined by any reasonable method.

SUPPLEMENT TO REGULATION T

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Effective January 17, 1951

Maximum loan value for general accounts. — The maximum loan value of a registered security (other than an exempted security) in a general account, subject to section 3 of Regulation T, shall be 25 per cent of its current market value.

Margin required for short sales in general accounts.— The amount to be included in the adjusted debit balance of a general account, pursuant to section 3(d)(3) of Regulation T, as margin required for short sales of securities (other than exempted securities) shall be 75 per cent of the current market value of each such security.

SUPPLEMENT TO REGULATION T

Issued by the Board of Governors of the
Federal Reserve System

Effective January 17, 1951

Maximum Loan Value for General Accounts. - The maximum loan value of a registered security (other than an exempted security) in a General Account, subject to section 3 of Regulation T, shall be 25 per cent of its current market value.

Margin Required for Short Sales in General Accounts. - The amount to be included in the adjusted debit balance of a General Account, pursuant to section 3(d)(3) of Regulation T, as margin required for short sales of securities (other than exempted securities) shall be 75 per cent of the current market value of each such security.