

**FEDERAL RESERVE BANK OF DALLAS**  
**DALLAS, TEXAS 75222**

Circular No. 70-70  
March 20, 1970

**EMERGENCY EXTENSIONS OF TIME UNDER REGULATION T**

To All Broker/Dealers  
in the Eleventh Federal Reserve District:

The following is a press release issued by the Board of Governors on March 19, 1970:

The Board of Governors of the Federal Reserve System said today that in view of the emergency situation created in New York and some other areas by the interruption of postal service, stock exchanges and the National Association of Securities Dealers may grant blanket extensions of time for brokers and dealers to obtain payment from customers affected by the work stoppage.

The Board's Regulation T requires that broker/dealers must obtain payment in margin account within five full business days after a transaction takes place in the account, and must obtain payment in not more than seven full business days after a transaction takes place in a cash account. Under the regulation, extensions of time for obtaining payment may be granted on an individual basis by a committee of a national securities exchange, or of the National Association of Securities Dealers, if exceptional circumstances warrant the action. The blanket extensions of time contemplated by the Board's action would be available in advance where the delay in payment is due to the interruption of postal service and the firm has made every effort to collect the amount that is due. The extensions could be granted for not more than ten full business days after the emergency has ended.

Firms would not be required to apply in advance for such extensions of time, but each firm would be required to keep detailed records as to transactions in each customer's account, identifying the date when payment was due under Regulation T, and the date when payment was actually received. Copies of these records should be submitted to the appropriate committee of the stock exchange or the association within a reasonable time, and the original record should be retained by the broker/dealer for at least two years after the extension end.

For further information, contact the Regulations Department of the Federal Reserve Bank of Dallas.

Yours very truly,

P. E. Coldwell  
President